Justice and Solicitor General

Annual Report
2013-14

Alberta

Note to Readers:
Copies of the annual report are available on the Justice and Solicitor General website **www.justicesolgen.alberta.ca**

Justice and Solicitor General
Communications
9th floor, J.E. Brownlee Building
10365 – 97 Street
Edmonton, AB T5J 3W7

Phone: 780-427-0900
Fax: 780-427-0771

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Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Fiscal Management Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each of the 19 ministries.

The annual report of the Government of Alberta contains Ministers' accountability statements, the consolidated financial statements of the province and *Measuring Up* report, which compares actual performance results to desired results set out in the government's strategic plan.

On December 6, 2013, the government announced new ministry structures. The 2013-14 ministry annual reports and financial statements have been prepared based on the new ministry structure.

This annual report of the Ministry of Justice and Solicitor General contains the Minister's accountability statement, the audited consolidated financial statements of the ministry and a comparison of actual performance results to desired results set out in the ministry business plan. This ministry annual report also includes:

- the financial statements of entities making up the ministry including the Department of Justice and Solicitor General, the Human Rights Education and Multiculturalism Fund, and the Victims of Crime Fund for which the Minister is responsible;
- other financial information as required by the *Financial Administration Act* and *Fiscal Management Act* either as separate reports or as a part of the financial statements, to the extent that the ministry has anything to report; and
- financial information relating to trust funds.

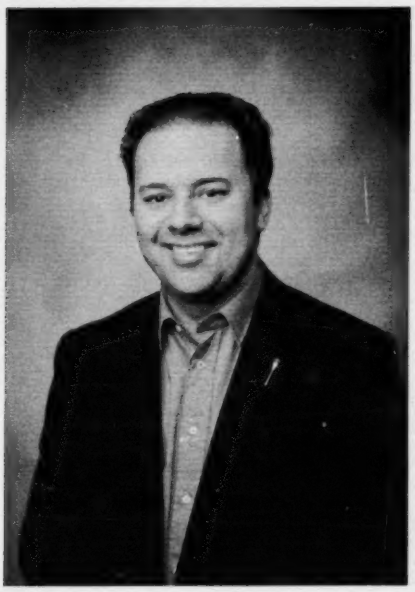
Minister's Accountability Statement

The ministry's annual report for the year ended March 31, 2014, was prepared under my direction in accordance with the *Fiscal Management Act* and the government's accounting policies. All of the government's policy decisions as at May 26, 2014 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

[Original signed by]

Honourable Jonathan Denis, QC
Minister of Justice and Solicitor General

Message from the Minister



It has been another exceptional 12 months at Justice and Solicitor General. I'm proud of all the outstanding work that has been done to help ensure Albertans can live, work, and raise families in safe and secure communities and have access to a fair and innovative justice system. There is a strong commitment to providing Albertans with excellent services.

Several pieces of significant legislation moved through the Legislature in 2013-14. The *Victim Statutes Amendment Act*, passed in April 2013, increases access to financial benefits for victims of crime and speeds up the process for civil forfeiture. The *Act* helps victims by simplifying the review process and strengthening the protection of confidential information. It also ensures that those whose goods are being confiscated as a result of criminal activity are given ample time to respond to the forfeiture action.

The Alberta Crown Prosecution Service launched the Injecting a Sense of Urgency Report on April 12, 2013. The report listed actions that would be taken to ensure serious and violent cases are not lost due to delays in reaching trial. A key action in the report was to increase the use of Direct Indictments, which allows for preliminary hearings to be bypassed and for trials to be set immediately in Queen's Bench. Direct Indictments can shave weeks, if not months, off the length of time it takes to reach trial, enhancing access to justice.

My ministry has also been improving access to justice in the civil and family justice sector. In November 2013, Justice and Solicitor General organized a forum involving leaders in this sector from across Alberta. At the forum, key stakeholders made commitments to take action on behalf of Albertans. Also, my ministry played a significant role in the national Action Committee on Access to Justice in Civil and Family Matters, which was held at the end of January 2014. Key participants from across the country attended to share and discuss innovations and best practices in the field.

Justice and Solicitor General also created two new judicial positions in the Provincial Court of Alberta in 2013-14; the first position in Edmonton Family and Youth Court, and the second in Edmonton Criminal Court. Along with these new positions, a new Chief Judge, Deputy Chief Judge, two Assistant Chief Judges and seven other Judges were appointed to the Provincial Court of Alberta.

This year, my department also launched consultations on traffic court reform. I hope this process will lead to a more efficient and effective way of handling non-criminal traffic matters, enabling courts to focus on more serious and violent cases. Another innovative initiative currently underway at my ministry is the Civil Claims Review project. This project aims at increasing access to justice for Albertans by proposing to increase the small claims limit of the Provincial Court from $25,000 to $50,000, implementing simplified processes for resolving uncomplicated, low-monetary value civil claims and providing additional options for dispute resolutions.

Innovative work was also carried out in the Public Security division, where a comprehensive review of all enforcement branches was completed. It included the commercial vehicle, fish and wildlife, sheriffs and security, and conservation enforcement branches. The review will ensure specialized enforcement services across the province are consistent, effective and accountable.

The ministry's commitment to safe and secure communities is clear. Every year, the province provides almost half a billion dollars for municipal and provincial policing services in Alberta. In 2013-14, Justice and Solicitor General also allocated funding for 40 new RCMP officers. The RCMP plays a vital role in keeping communities across our province safe and I am proud to have them as our provincial police service.

I am also proud that Justice and Solicitor General's commitment to victims of crime remains clear. During 2013-14, we continued to strengthen communities by helping to support victims of crime by using the proceeds of crime to implement programs and services across Alberta.

During the year, the first inmates arrived at the new Edmonton Remand Centre. The centre is the largest of its kind in Canada, with a capacity for up to 1,952 inmates and a size of 27 CFL football fields. Innovative practices are used at the centre and include direct supervision, which is considered best practice in the management of custody populations. It is part of a long-term solution to manage the current and anticipated growth in inmate numbers.

The projects mentioned above form just a small part of the extensive work currently underway at Justice and Solicitor General. I would like to thank everyone at the ministry for their commitment, skill and diligence. I would also like to thank our many partners within and outside the justice system for their enthusiastic cooperation. To me, this demonstrates their eagerness to participate in shaping the future of Alberta's communities. We are pleased to have them join us in this important work.

The Government of Alberta has made a strong commitment to invest in Alberta's families and communities. I'm looking forward to continuing that work to make Alberta an even better place to live.

[Original signed by]

Honourable Jonathan Denis, QC
Minister of Justice and Solicitor General

Management's Responsibility for Reporting

The Ministry of Justice and Solicitor General includes the Department of Justice and Solicitor General, the Victims of Crime Fund, and the Human Rights Education and Multiculturalism Fund.

The executives of the individual entities within the ministry have the primary responsibility and accountability for the respective entities. Collectively, the executives ensure the ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and strategic plan, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of consolidated financial statements and performance results for the ministry rests with the Minister of Justice and Solicitor General. Under the direction of the Minister, I oversee the preparation of the ministry's annual report, including consolidated financial statements and performance results. The consolidated financial statements and the performance results, of necessity, include amounts that are based on estimates and judgments. The consolidated financial statements are prepared in accordance with Canadian public sector accounting standards. The performance measures are prepared in accordance with the following criteria:

- Reliability – information agrees with underlying data and the sources used to prepare it.
- Understandability and Comparability – current results are presented clearly in accordance with the stated methodology and are comparable with previous results.
- Completeness – performance measures and targets match those included in Budget 2013.

As Deputy Minister, in addition to program responsibilities, I am responsible for the ministry's financial administration and reporting functions. The ministry maintains systems of financial management and internal control which give consideration to costs, benefits and risks that are designed to:

- Provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- Provide information to manage and report on performance;
- Safeguard the assets and properties of the province under ministry administration;
- Provide Executive Council, the President of Treasury Board and the Minister of Finance, and the Minister of Justice and Solicitor General information needed to fulfill their responsibilities; and
- Facilitate preparation of ministry business plans and annual reports required under the *Fiscal Management Act*.

In fulfilling my responsibilities for the ministry I have relied, as necessary, on the executives of the individual entities within the ministry.

[Original signed by]

Tim Grant, OMM, MSC, CD
Deputy Minister of Justice and Solicitor General
May 26, 2014

Results Analysis

Ministry Overview

Law and Order - Our Story

The justice system plays a significant role in communities by upholding the Rule of Law and helping ensure the safety and security of Albertans. As the province continues to evolve and grow, the justice system and the Ministry of Justice and Solicitor General continues to adapt to a dynamic economy and a steadily increasing population driven by immigration from other provinces and countries.

Quick Facts:

- Mission: To achieve a fair and safe Alberta.
- Vision: Working together so that Albertans have safe communities and an accessible, effective and innovative justice system.

There are increased demands being placed upon the criminal justice system. There is an increased public emphasis upon crime prevention rather than enforcement alone and a wish to modernize the justice system's ability to provide services across the province. Cases are becoming increasingly complex, with more resources being required to take on and adjudicate legal actions. At the same time, more and more people are using courts without being represented by a lawyer, even though the system relies heavily on members of the legal community to represent clients. An increasing number of cases are entering the courts and we are faced with an over-representation of Aboriginal Albertans in the justice system. More people are in custody or community supervision for longer periods of time and these populations often have highly complex needs.

Quick Facts:

As per the 2013-14 Alberta Justice and Solicitor General Public Opinion Survey:

- Most respondents (79 per cent) agreed that they have a good understanding of the justice system in Alberta.
- Most Albertans (77 per cent) have confidence in the justice system in Alberta.
- Most Albertans (82 per cent) said they feel safe when walking alone in their neighbourhood or area after dark.
- Most Albertans (83 per cent) were satisfied with policing in Alberta.

Across Canada, justice systems are faced with increasing challenges in sustainability, both of budget and of services. In Alberta, the budget for the Ministry of Justice and Solicitor General has doubled over the last seven years, but the system is still struggling to match the pressures on it. Pressures affecting the ministry also impact the justice system's partners and the ministry needs to be sensitive to its capacity and be aware that the economic conditions that place financial pressure on government will also create funding problems for our partners, especially those dealing with access to justice issues.

The Ministry of Justice and Solicitor General has recognized these challenges and has taken action. The 2013-14 annual report highlights many of the initiatives the ministry has led in the last year to tackle these challenges.

Ministry Structure

The Ministry of Justice and Solicitor General seeks to achieve fairness and safety for Albertans by carrying out its mandated roles. The ministry provides legal advice to the Premier and Cabinet, manages legal risks to the government and is responsible for the administration of justice through prosecutions, outward-facing services and support of the courts in the province. The ministry also

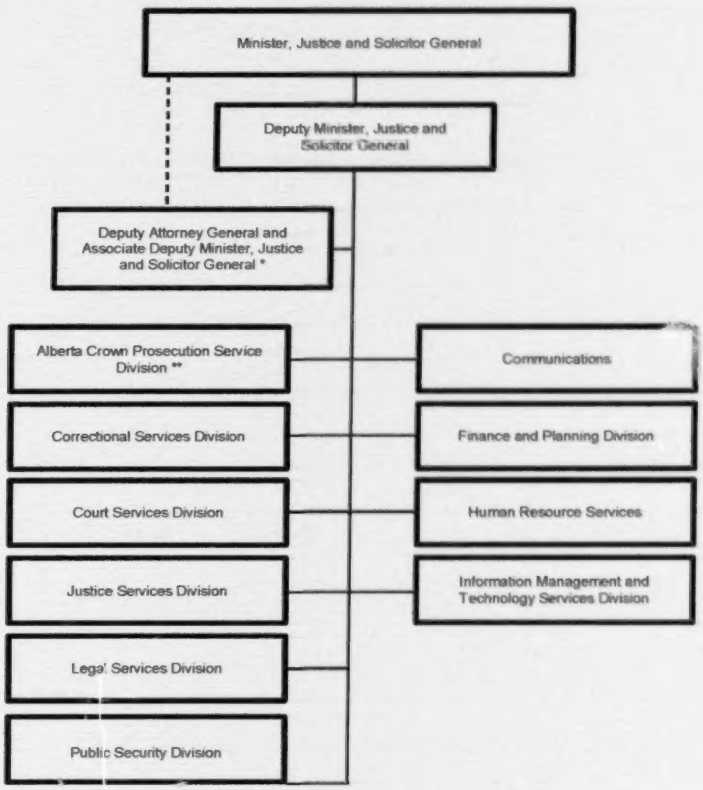
promotes safe and secure communities through effective policing and other public security functions, crime prevention, correctional services and support to victims of crime. While the ministry works toward the common vision of a fair and safe Alberta, it affords unique roles and business lines the independence required including the commitment to ensuring that the prosecution and law enforcement functions of the ministry are conducted with necessary separation.

Quick Fact:

- For the 2013-14 fiscal year, no disclosures of wrongdoing were received by the ministry under the *Public Interest Disclosure (Whistleblower Protection) Act*.

The ministry is composed of 10 divisions (refer to Figure 1 below) that share responsibility for providing integrated services by partnering with one another, other Government of Alberta ministries, Alberta's Courts, policing agencies and stakeholder organizations.

Figure 1: Organizational Structure of the Ministry of Justice and Solicitor General


Minister, Justice and Solicitor General
Deputy Minister, Justice and Solicitor General
Deputy Attorney General and Associate Deputy Minister, Justice and Solicitor General *
Alberta Crown Prosecution Service Division **
Correctional Services Division
Court Services Division
Justice Services Division
Legal Services Division
Public Security Division
Communications
Finance and Planning Division
Human Resource Services
Information Management and Technology Services Division

* Provides direct line to the Minister from the Deputy Attorney General and Associate Deputy Minister on certain legal matters

** Formerly known as Criminal Justice

Alberta Crown Prosecution Service Division

The Alberta Crown Prosecution Service (ACPS) is responsible for the prosecution of persons charged with *Criminal Code of Canada*, *Youth Criminal Justice Act* and provincial statute offences. The ACPS also handles criminal appeals in the Court of Appeal of Alberta and the Supreme Court of Canada on behalf of Alberta's Attorney General. Additionally, the ACPS develops criminal law policy for the province and supports criminal law consultation with other provinces, territories and the Government of Canada.

The authority to conduct prosecutions, including all of the discretionary decisions that must be made in every case, originates with the office of the Attorney General. With this role also comes the duty to remain independent. Crown prosecutors are appointed to act for the Attorney General and administer justice at a local level. Through these appointments, the Attorney General empowers agents to perform his or her prosecutorial duties.

Communications

Communications provides strategic communications support and advice to the Minister, Deputy Minister, Deputy Attorney General and Associate Deputy Minister, and ministry executive management and staff. Communications also informs Albertans about the justice system, ministry goals, initiatives and achievements.

Correctional Services Division

Correctional Services is responsible for effective and efficient custody and supervision of adults and youth under correctional authority, including the facilitation of rehabilitation opportunities. Custody is provided for adults who are remanded or serving a sentence of less than two years and for youth who are remanded or sentenced. Community supervision includes programs such as pre-trial supervision, probation and alternative measures/sanctions for both adults and youth.

Court Services Division

Court Services provides administrative and technical support to Alberta's three courts: the Court of Appeal of Alberta, the Court of Queen's Bench of Alberta and the Provincial Court of Alberta. The division develops strategies to provide access to a broad range of services including mediation and other dispute resolution mechanisms. Court Services also operates Law Information Centres and Family Justice Services to provide assistance to self-represented litigants. In addition, Alberta Law Libraries provides legal information to judges, Crown prosecutors, lawyers and the public.

Finance and Planning Division

Finance and Planning provides strategic advice and services to the ministry in the areas of business and financial planning and reporting, performance measurement, policy, research and evaluations, contract and grant management, enterprise risk management, procurement, Results-based Budgeting, facilities and fleet. The division also manages the Notaries Public, Commissioners for Oaths, and the Documentation Authentication programs, as well as overseeing the administration of agencies, boards and commissions, including the Law Enforcement Review Board and the Criminal Injuries Review Board.

Human Resource Services

Human Resource Services provides advisory services and consulting support to Justice and Solicitor General divisions in the areas of recruitment, employee labour relations, occupational and workplace health and safety. The division is also responsible for organizational development and effectiveness, the performance cycle and performance management, and collaborates with divisions in the design, development and delivery of human resource programs.

Information Management and Technology Services Division

Information Management and Technology Services is responsible for the development, delivery and ongoing operations of critical technology and information systems for the ministry.

The division is responsible for setting and delivering the ministry Information Management and Technology (IMT) strategy, and the effective delivery of various IMT services including project management, organizational change management and business process improvement. The division is also responsible for the successful delivery of the Alberta First Responders Radio Communications System.

Justice Services Division

Justice Services consists of public facing programs and branches that serve Albertans by providing greater access to justice, protecting the interests of Albertans accessing the justice system, or contributing to safe and secure communities. Programs in the division include: the Maintenance Enforcement Program; Child Support Recalculation Program; Motor Vehicle Accident Claims Program; Motor Vehicle Accident Recoveries Program; the Office of the Chief Medical Examiner; Fines Enforcement Program; the Civil Forfeiture Office; the Civil Forfeiture Asset Management team; the Abandoned and Seized Vehicle Program and oversight of the legal aid plan. The Property Rights Advocate Office is administratively supported by the division.

Legal Services Division

Legal Services assists the minister in fulfilling the minister's role to provide legal advice to the Premier and Cabinet and manage legal risks to government. The division provides legal services to government departments, including providing legal advice; managing legal risks; conducting civil litigation; drafting legislation, regulations and orders-in-council; and retaining outside counsel.

Public Security Division

Public Security is responsible for law enforcement, crime prevention, restorative justice and victim services. The division provides oversight and governance of the police, participates in integrated policing initiatives, and delivers supplementary law enforcement including: court security; prisoner transport; traffic safety enforcement; protection of officials and infrastructure; commercial vehicle safety enforcement; conservation and fish and wildlife enforcement.

Alberta Human Rights Commission

The Minister of Justice and Solicitor General is responsible for the *Alberta Human Rights Act* (the *Act*), which establishes the Alberta Human Rights Commission and the Human Rights Education and Multiculturalism Fund.

The Alberta Human Rights Commission (the Commission) is an independent commission of the Government of Alberta reporting to the minister. The Commission protects human rights in Alberta by resolving complaints made under the *Act*. Human rights tribunals adjudicate complaints that cannot be resolved. The Commission also works to eliminate discrimination and barriers to full participation in society through education and community engagement.

The Commission is also responsible for overseeing the administration of the Human Rights Education and Multiculturalism Fund on behalf of the Minister of Justice and Solicitor General. Through its grant program, the fund provides financial support to community organizations for projects that foster equality and reduce discrimination. The fund also provides financial support for the Commission's education and engagement initiatives.

The Chief of the Commission and Tribunals (The Chief), members of the Commission and the Director of the Commission are appointed through Orders in Council. The Chief of the Commission and Tribunals is responsible for keeping the minister informed about human rights issues, providing the members of the Commission with guidance regarding their tribunal hearings and other functions. The Chief also provides both the Director of the Commission and the Director of Education and Engagement with guidance regarding the overall goals and direction of the Commission.

The Commission publishes an annual report that summarizes the activities of the Commission.

Agencies, Boards and Committees

Alberta Review Board

The Alberta Review Board, which is composed of 11 members, makes or reviews dispositions concerning any accused person for whom a verdict of "not criminally responsible because of mental disorder" or "unfit to stand trial" is rendered, according to the provisions of the *Criminal Code of Canada*. The board also has the responsibility for determining whether such a person should be subject to a detention order or conditional discharge, or be granted an absolute discharge. The board members are appointed through Orders in Council.

Criminal Injuries Review Board

The Criminal Injuries Review Board considers requests for reviews of decisions regarding applications for financial benefits for victims of crime under the *Victims of Crime Act*. The board may request experts to assist with a review and has the power to confirm, rescind or vary decisions made by the Director of the Victims of Crime Financial Benefits program. The six board members are appointed through Orders in Council.

Fatality Review Board

The Fatality Review Board is responsible for the review of investigations under the *Fatality Inquiries Act* in order to determine if there is a need for holding a public fatality inquiry and for the review of complaints with respect to misbehaviour, incompetence or neglect of duty by medical examiners or the inability of medical examiners to perform their duties under the *Act*. The Fatality Review Board is composed of three members, appointed through Orders in Council for a two-year term. The Ministry of Justice and Solicitor General is responsible for supporting the Fatality Review Board in areas including staffing, research capability, providing legal opinions (as needed) and providing administrative support.

Judicial Council

The Judicial Council screens individuals to determine if they are qualified for appointment to the Provincial Court of Alberta. The council is granted jurisdiction to deal with complaints against masters, Provincial Court judges and Justices of the Peace. The council is composed of six members: two members are appointed by Ministerial Orders and the remaining four members are designated under the *Judicature Act*.

Law Enforcement Review Board

The Law Enforcement Review Board hears appeals from members of the public and from police officers relating to complaints regarding the actions of police officers and those who are not satisfied with the disposition of their complaint by the responsible Chief of Police. The board is established under the *Police Act*. The 12 board members are appointed through Orders in Council.

Notaries Public Review Committee

The Notaries Public Review Committee, which is composed of three members, advises the Minister of Justice and Solicitor General on appointments of lay notaries public. The committee consists of a

member of the Law Society of Alberta, a member of the business community and a member of the ministry, who is the secretary. All are appointed by Ministerial Orders under the *Government Organization Act*. The committee reviews applications for appointment and then provides recommendations to the Minister of Justice and Solicitor General.

Provincial Court Nominating Committee

The Provincial Court Nominating Committee provides recommendations to the Minister of Justice and Solicitor General on the appointment of individuals to the Provincial Court of Alberta. The committee is composed of 11 members, eight of whom are appointed by Ministerial Orders and include representatives from the legal profession and members of the public. The remaining three committee members include the Chief Judge of the Provincial Court of Alberta, the President of the Law Society of Alberta, and the President of the Canadian Bar Association (Alberta Branch) or their representatives. By way of convention, the minister chooses new judges from this committee's recommendations.

Rules of Court Committee

The Rules of Court Committee makes recommendations to the Minister of Justice and Solicitor General on the amendments to the Rules of Court made under the *Judicature Act*. The committee consists of six members: the Chief Justice of Alberta or designate, the Chief Justice of the Court of Queen's Bench or designate, the Chief Judge of the Provincial Court of Alberta or designate, two members appointed on recommendation of the Law Society of Alberta by Ministerial Orders and one member appointed at the discretion of the Minister by Ministerial Order.

Victims of Crime Programs Committee

The Victims of Crime Programs Committee makes recommendations on grant applications and provides information with respect to programs and services to assist victims of crime. The five Committee members are appointed by Ministerial Orders.

AUDITOR GENERAL *Alberta*

Review Engagement Report

To the Members of the Legislative Assembly

I have reviewed the performance measures identified as reviewed by the Office of the Auditor General in the Ministry of Justice and Solicitor General's Annual Report 2013–2014. The reviewed performance measures are the responsibility of the ministry and are prepared based on the following criteria:

- *Reliability*—The information used in applying performance measure methodologies agrees with underlying source data for the current and prior years' results.
- *Understandability*—The performance measure methodologies and results are presented clearly.
- *Comparability*—The methodologies for performance measure preparation are applied consistently for the current and prior years' results.
- *Completeness*—The goals, performance measures and related targets match those included in the ministry's budget 2013.

My review was made in accordance with Canadian generally accepted standards for review engagements and, accordingly, consisted primarily of enquiry, analytical procedures and discussion related to information supplied to me by the ministry.

A review does not constitute an audit and, consequently, I do not express an audit opinion on the performance measures. Further, my review was not designed to assess the relevance and sufficiency of the reviewed performance measures in demonstrating ministry progress towards the related goals.

Based on my review, nothing has come to my attention that causes me to believe that the performance measures identified as reviewed by the Office of the Auditor General in the ministry's annual report 2013–2014 are not, in all material respects, presented in accordance with the criteria of reliability, understandability, comparability and completeness as described above.

[Original signed by Merwan N. Saher, FCA]

Auditor General

May 27, 2014

Edmonton, Alberta

Performance measures reviewed by the Office of the Auditor General are noted with an asterisk (*) on the Performance Measures Summary Table.

Performance Measures Summary Table

Goals/Performance Measure(s)		Prior Years' Results				Target	Current Actual
Goal One: Alberta's communities are safe and secure							
1.a*	Percentage of Albertans who feel safe walking alone in their area after dark	78% 2009-10	82% 2010-11	82% 2011-12	83% 2012-13	**82%**	82% 2013-14
1.b*	Percentage of Albertans satisfied with policing in Alberta over the past 12 months	81% 2009-10	85% 2010-11	86% 2011-12	81% 2012-13	**86%**	83% 2013-14
1.c*	Percentage of victims satisfied with services provided by employees and volunteers within the criminal justice system	82% 2009-10	81% 2010-11	83% 2011-12	85% 2012-13	**83%**	85% 2013-14
Goal Two: Alberta has a fair, accessible and innovative justice system							
2.a*	Maintenance Enforcement Program's compliance rate on cases enrolled by regular monthly payments	67% 2009-10	69% 2010-11	70% 2011-12	72% 2012-13	**71%**	73% 2013-14
2.b*	Percentage of Albertans who agree that fair and impartial service is provided to prosecute people charged with a crime	76% 2009-10	77% 2010-11	75% 2011-12	81% 2012-13	**78%**	80% 2013-14
2.c**	Median elapsed time from first to last appearance for a criminal case in Provincial Court and Court of Queen's Bench of Alberta	128 days 2007-08	121 days 2008-09	126 days 2009-10	122 days 2010-11	**Below Canadian Median (118 days)**	117 days 2011-12
Goal Three: Alberta has effective custody and community supervision services							
3.a***	Percentage of offenders successfully completing conditional release without incurring new criminal charges	99.8% 2009-10	99.9% 2010-11	100% 2011-12	Data not available 2012-13	**100%**	Data not available 2013-14
3.b*	Number of escapes from secure custody or during transport	0 2009-10	1 2010-11	1 2011-12	3 2012-13	**0**	1 2013-14
3.c***	Percentage of incarcerated offenders involved in work, education, treatment or life management programs	89% 2009-10	90% 2010-11	91% 2011-12	Data not available 2012-13	**At least 90%**	Data not available 2013-14

For more detailed information see methodology (page 42) in the Performance Measure Methodology section of the annual report.

*** Indicates Performance Measures that have been reviewed by the Office of the Auditor General**

The performance measures indicated with an asterisk were selected for review by ministry management based on the following criteria established by government:

- Enduring measures that best represent the goal,
- Measures for which new data is available, and
- Measures that have well established methodology.

- ** At the time of annual report publication, the most current results available from the Canadian Centre for Justice Statistics were for 2011-12. These results were published in the Integrated Criminal Court Survey/Adult Criminal Court Survey, June 13, 2013.

- *** The new offender management system, Offender Records and Correctional Administration (ORCA) was introduced in February 2013 to replace the Correctional Management Information System (CoMIS). Although data is available from CoMIS for the first ten months of the 2012-13 fiscal year, the shortened timeframe results in a methodological change making data incomparable to historical results. The operational report containing data for the final eight weeks of the fiscal year was not available from ORCA; therefore, the ministry has identified the 2012-13 actual as "Data not available". Operational report data is not available from ORCA for the 2013-14 fiscal year; therefore the ministry has identified the current actual as "Data not available".

Discussion and Analysis of Results

GOAL 1

Alberta's communities are safe and secure.

Importance to Albertans

Justice and Solicitor General demonstrates commitment towards the goal of providing Albertans with safe and secure communities in which to live, work and raise their families by: setting strategic policy direction; aligning ministry enforcement services; supporting victims of crime and the organizations that support victims of crime; and developing strong structures and accountability mechanisms for Alberta's law enforcement and oversight system. Justice and Solicitor General provides direction to Alberta Health Services for specialized programs that operate within correctional services for targeted populations suffering from mental illness and addictions.

Highlights and Accomplishments

Priority Initiative 1.1: Set strategic provincial policy direction for law enforcement by implementing the Law Enforcement Framework.

The Law Enforcement Framework

The Law Enforcement Framework (LEF) was first announced in December 2010, to fulfill an important priority of the Government of Alberta to provide Albertans with safe and secure communities. The LEF was designed to consider and respond to challenges the province is facing (including ongoing and significant population growth) and to position Alberta's law enforcement as a modern, flexible and professional system. The LEF defines the process for how the government will work with communities, police services, and other law enforcement partners to strengthen and renew Alberta's law enforcement system.

A review of the LEF began in 2013 to support proposed changes that will: strengthen service delivery; continue to build on existing collaborative work in crime prevention; engage communities and stakeholders; emphasize early prevention and build on efforts for a strong child and youth focus; ensure accountability to Albertans; and establish an equitable distribution of the costs for police services.

Priority Initiative 1.2: Continue consolidation of ministry enforcement services to ensure effective specialized enforcement is provided throughout the province.

Consolidation of Ministry Enforcement Services

A comprehensive review of all enforcement branches (including Commercial Vehicle Enforcement, Fish and Wildlife Enforcement, Sheriffs and Security Operations, and Parks Enforcement) within Justice and Solicitor General was completed to ensure a consistent, effective and accountable delivery of specialized enforcement services across the province. Efficiencies occurred through sharing of resources, technology, standards, procedures and policy.

During the enforcement branches' review, a training curriculum was identified as a priority for the Parks Enforcement branch to ensure consistency with other enforcement branches. In February 2014, the branch began working with the Justice and Solicitor General Training Academy on the process to create a long-term response, while immediate work was undertaken on high-priority training issues identified as a critical risk.

Quick Fact:

- Fish and Wildlife Officers are trained in the use of small and large boats, patrol units, all terrain vehicles, firearms, investigative techniques, defensive tactics and wildlife control.

The Public Security division reviewed two current Memorandums of Understanding (one with Environment and Sustainable Resource Development and the other with Tourism, Parks and Recreation) related to public security policy and identified areas that could be harmonized. Decisions to proceed with the recommendations on policy will require additional assessment.

Priority Initiative 1.3: Ensure that strong structures and accountability mechanisms are in place for Alberta's law enforcement and oversight system.

Accountability for Alberta's Law Enforcement and Oversight System

Strong structures and accountability mechanisms for Alberta's law enforcement and oversight system is an ongoing priority of the ministry. The effectiveness of law enforcement relies on public trust and confidence, as well as a high degree of professionalism of police services and other law enforcement personnel in Alberta. This goal is accomplished by strong accountability structures such as:

- funding agreements, contracts and business plans;
- implementing policing services, and oversight standards and guidelines;
- performing compliance audits to evaluate the structure and function of police services and their oversight boards;
- issuing of appointments and licensing of peace officers and security guards; and
- monitoring public complaints and discipline processes for police, peace officers and security program.

Police services must practice good governance and be responsible to citizens. For municipal policing, there are 11 police commissions overseeing independent municipal police services and seven policing committees overseeing Royal Canadian Mounted Police (RCMP) municipal police services. These oversight agencies have processes in place to obtain community input into policing priorities and have a dedicated Public Complaint Director to receive police complaints locally and to assist the public with these complaints, including alternative dispute resolution, as legislated in the *Police Act*. Key accomplishments in 2013-14 include:

- The funding agreement payments (i.e., Municipal Policing Assistance Grant, New Police Officer Grant), were released to eligible municipalities on June 30, 2013 to assist with policing and policing oversight costs.

- The approval of the Métis Settlements Memorandums of Understanding on October 3, 2013 authorizing an additional eight RCMP officers for 10 years.

- The implementation of the Police Complaint Tracking system (IAPro) by all police services in March 2014. Testing of IAPro was completed on December 31, 2013 and the system is now fully operational with police services scheduled to begin quarterly submissions of data to the ministry in 2014.

- The approval to conduct industry consultations on the *Security Services Investigators Act* and related regulation renewal was obtained on March 31, 2014.

The New Police Officer Grant program was established in 2008 to add 300 new frontline police officers across Alberta. The program provides $30 million in annual grants to municipalities to support the addition of the 300 frontline police officers. For 2013-14, the City of Edmonton received $10.5 million to support 105 new police officers and the City of Calgary received $12.3 million to support 123 new officers, while other municipalities received a total of $7.2 million to support 72 new police officers.

Priority Initiative 1.4: Provide support to victims of crime and organizations that support victims of crime.

Support to Victims of Crime

Through the Justice and Solicitor General Victims of Crime Fund, Victims Services supports victims of crime and the organizations that care for these victims. The Victim Services branch helps victims through all stages resulting from crime or tragedy. Alberta uses a multiple-program model, with government, police and other community-based organizations delivering programs and services to victims of crime. This year, the ministry approved grants for 62 police and community-based organizations that offer support and services to victims of crime. They also provide direction, leadership, support and standardized training for these programs and work to build capacity for enhanced services within community groups for Aboriginal, isolated communities and victims with specialized needs. Victims Programs oversees the overall administration of the *Victims of Crime Act* and its regulations. This is a long-standing initiative within Justice and Solicitor General.

Quick Fact:

- Alberta has a network of 75 police-based victim service programs operating out of 138 service delivery areas and 33 community-based victim service programs.

Federal funding from Justice Canada, Policy Centre for Victims Issues is supporting the development of a Missing and Murdered Aboriginal Women's Initiative framework for victim services to families of missing and murdered Aboriginal women. Community and stakeholder consultations, a collection and review of data, and an environmental scan of services are currently underway and will continue in 2014-15.

Justice and Solicitor General also supports: the Financial Benefits program, which offers financial compensation to recognize injuries sustained by an individual as a result of a violent crime; the Crime Prevention and Restorative Justice unit, which offers funding to organizations that make available mediation between victims and offenders (restorative justice is an alternative dispute resolution approach that focuses on the needs of those affected by crime); and the Civil Forfeiture Fund, which offers resources to fund victim compensation and crime prevention programs through seizures of vehicles, money and property gained illegally through criminal acts.

Priority Initiative 1.5: In collaboration with Alberta Health Services, implement specialized programs for targeted populations suffering from mental illness and addictions.

Specialized Programs for Populations suffering from Mental Illness and Addictions

Through ongoing collaboration with Alberta Health Services, the ministry has provided support for specialized programs that operate within correctional services, to assist in addressing the needs of targeted populations with issues related to mental health and addictions. Providing specialized programs helps support the rehabilitation process for individuals to positively contribute to society following their transition back into the community. These programs include a trauma-informed women's treatment program (which has a greater understanding of all types of trauma to avoid retraumatization of individuals using this program), a men's addiction program and enhanced mental health training for correctional employees.

Ongoing support of health care delivery at the Edmonton Remand Centre continued during 2013-14. Alberta Health Services is in the process of implementing policies in relation to addiction and mental health services commencing at all adult and young offender centres in March 2014. In collaboration with Alberta Health Services, Justice and Solicitor General continued monitoring of the delivery of health care services including assessment, treatment and transition to address operational and policy issues to ensure effective and optimal frontline health care delivery. As well, the ministry has worked jointly with Alberta Health Services to seek solutions to various issues in frontline health care delivery and to acquire accreditation in 2014.

During 2013-14, the Young Offender branch created Alberta Health Services clinician capacity to treat adolescents who sexually offend through the coordination and delivery of a two-part training series in the area of comprehensive assessment and treatment. The Young Offender branch successfully competed nationally for Justice Canada funding for this training.

Additional Accomplishments

In its sixth year of operations, Alberta Serious Incident Response Team (ASIRT) investigates serious or sensitive matters involving police. ASIRT does not take complaints from the public, rather files are forwarded to ASIRT by the Director of Law Enforcement. There have been 485 notifications to the Director of Law Enforcement since 2009. Of those notifications, ASIRT was assigned to 160 investigations as of December 31, 2013.

During 2013-14, Justice and Solicitor General representatives developed and aligned the Alberta family violence policy with other jurisdictions and participated in the development of the national report *Making the Links in Family Violence Cases: Collaboration among the Family Child Protection and Criminal Justice System*. The final report was presented to Federal/Provincial/Territorial (F/P/T) ministers responsible for justice and public safety within Canada to determine the next steps.

In the fall of 2013, Justice and Solicitor General representatives participated in preparing a national handbook: *Trafficking in Persons – A Handbook for Police and Prosecutors*. This included implementing any changes and additions to policy and practices within Alberta to ensure alignment with other provinces nationally. The handbook was approved by the F/P/T ministers responsible for justice and public safety in November 2013.

Justice and Solicitor General representatives also participated in the development of proposals to strengthen witness protection. These proposals were reviewed by the F/P/T Coordinating Committee of Senior Officials Working Group on Organized Crime in early 2014. As a result, an accelerated development and review of options for legislative reform was undertaken to make other testimonial aids more responsive to the needs of witnesses, including cases where witnesses fear for their safety.

The *Family Violence Investigation Report* (implemented in 2008) was updated in November 2013. The report was revised to ensure that it continued to meet the needs of police and Crown prosecutors by updating the format and rewording several questions to reflect a need for specific information, such as the questions around court orders and children exposed to family violence.

The Domestic Violence Police Guidelines (previously reviewed in 2009) were revised in January 2014. The guidelines have been reformatted to allow each section to be considered individually, for quick reference, and information within each section refreshed to reflect current best practice. Updates included the expanded mandate of the Integrated Threat and Risk Assessment Centre for cases of non-domestic violence and/or threatening behavior. Amendments to the *Protection Against Family Violence Act (*the *Act)* in 2011 are also included, which highlights the addition of an offence provision for breaches of a protection order under the *Act*.

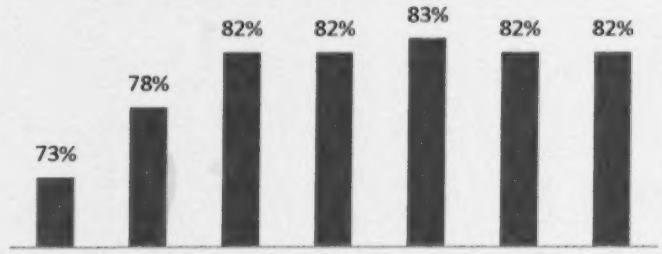
A *Statutes Amendment Act*, which will allow for the commission of senior police officers, was proclaimed in the *Police Act* portion of the *Statutes Amendment Act* on March 28, 2014. A commission is an honorary title that provincially recognizes a senior police officer who has achieved the rank of inspector, superintendent, deputy-chief, or chief working for municipal and First Nations police services in Alberta. An officer receives a commission only once and the title is retained for life.

Performance Measures

Performance Measure 1.a: Percentage of Albertans who feel safe walking alone in their area after dark

In 2013-14, most Albertans (82 per cent) felt safe walking alone in their neighbourhood after dark; this is a nine percentage point increase since 2008-09 and one percentage point decrease from the previous year (refer to Figure 2). For the fourth consecutive year, the target of 82 per cent has been achieved. Twelve per cent indicated they feel "somewhat unsafe", and five per cent feel "very unsafe." One per cent did not respond to the question.

Figure 2: Safety in the Neighbourhood



Prior Years' Results					Current Result	2013-14 Target
2008-09 Result	2009-10 Result	2010-11 Result	2011-12 Result	2012-13 Result		
73%	78%	82%	82%	83%	82%	82%

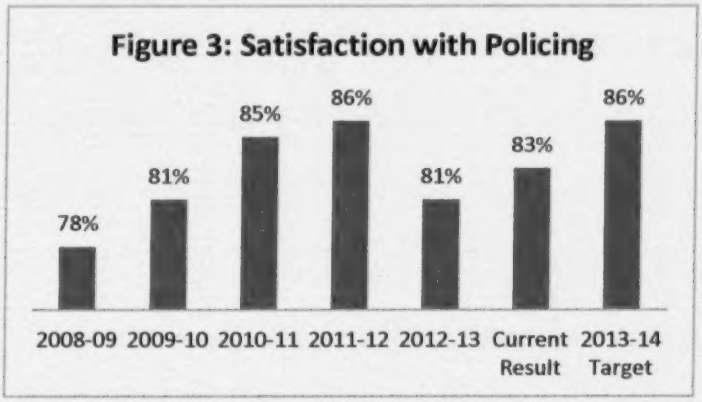
Higher perceived levels of safety were identified among those who already feel very safe in their own homes after dark, men, those in households with an annual income of $100,000 or more, residents of smaller cities in northern Alberta, and residents of rural areas in southern Alberta.

Lower perceived levels of safety were identified among those who do not feel safe or only feel reasonably safe when in their own home after dark, those in households with an annual income of less than $30,000, those who do not have confidence in the justice system, divorced, separated or widowed respondents, victims of crime, respondents 65 years of age or older, women, residents of Edmonton, those with high school or less education, and residents of smaller cities in southern Alberta.

Perceptions of safety in the neighbourhood are shaped by a number of factors including a person's sex, age, level of education, satisfaction with personal safety, and victimization experience. Perception of safety is responsive to policy and program intervention by the ministry, including public education and information programs/initiatives, prosecutions, courts, victim services, and policing.

Performance Measure 1.b: Percentage of Albertans satisfied with policing in Alberta over the past 12 months

In 2013-14, 83 per cent of Albertans were satisfied with policing over the past 12 months; this is an increase of two percentage points over the 2012-13 satisfaction rate (81 per cent) and three percentage points below the target of 86 per cent (refer to Figure 3). Fifteen per cent are dissatisfied with policing and one per cent did not provide an opinion.



Prior Years' Results					Current Result	2013-14 Target
2008-09 Result	2009-10 Result	2010-11 Result	2011-12 Result	2012-13 Result		
78%	81%	85%	86%	81%	83%	86%

Respondents, who were dissatisfied, were asked why they were dissatisfied with policing in Alberta over the past 12 months. The top reasons given for being dissatisfied with policing were not enough police, police response times, police more concerned with less serious violations rather than serious crime and questionable police conduct.

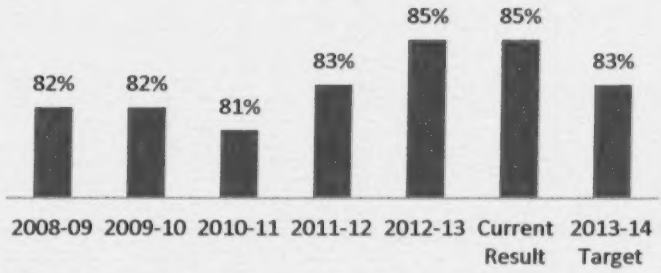
Satisfaction with policing can be influenced by a number of factors including, length of time an individual has lived in the province/neighbourhood/community, age of respondents, perceived safety in homes and neighbourhoods, confidence in the justice system, victimization and education level.

Activities that have raised the profile of policing and law enforcement in recent years include integrated traffic units (RCMP and Traffic Sheriffs) on Alberta's highways to promote greater traffic safety, the introduction of new drinking and driving laws and the distracted driver's legislation. Alberta has also renewed the 20-year policing contract with the RCMP and this continuity of service can increase confidence in policing.

Performance Measure 1.c: Percentage of victims satisfied with services provided by employees and volunteers within the criminal justice system

In 2013-14, applicants to the Victim Services Financial Benefits Program were asked to complete a survey where one question asked how satisfied they were with services provided by employees and volunteers within the criminal justice system. In 2013-14, respondents reported an overall satisfaction rate of 85 per cent. This is equal to last year's result of 85 per cent and exceeds the target (83 per cent) by two percentage points (refer to Figure 4). This stabilization of satisfaction rates may be a reflection of continued focus on the importance of treating victims with compassion, courtesy and respect.

Figure 4: Satisfaction with Victims Services



Prior Years' Results					Current Result	2013-14 Target
2008-09 Result	2009-10 Result	2010-11 Result	2011-12 Result	2012-13 Result		
82%	82%	81%	83%	85%	85%	83%

GOAL 2

Alberta has a fair, accessible and innovative justice system.

Importance to Albertans

A fair, accessible and innovative justice system is important to Albertans. It is achieved through strategic improvements to frontline justice services, the integration of court-annexed programs and services, supporting the development of leading practices on access to justice, working on the simplification of processes for uncomplicated, low monetary value civil claims and options for dispute resolution, and exploring alternatives for processes relating to fine payments and traffic court. Reflecting on Alberta's commitment to improve access to justice, the Government of Alberta created two new judicial positions in the Provincial Court of Alberta in 2013-14. The first position was created in Edmonton Family and Youth Court, and the second position was created in Edmonton Criminal Court.

While the Government of Alberta is accountable for administering the province's civil and family justice system, others such as: Alberta's Courts, the legal profession, and administrative adjudicators have responsibility for various parts of the justice system. Additional stakeholders who also have a stake in the system include a network of service providers whose clients use, or are affected by the justice system, and allied institutions such as the Alberta Law Foundation, law schools and law reform organizations. In November 2013, the ministry convened a Joint Action Forum to start a process that will improve access to justice in Alberta's civil and family justice system. The ministry continues to engage with the public and is gaining national recognition for its work on access to justice.

Highlights and Accomplishments

Priority Initiative 2.1: Support vulnerable Albertans through strategic improvements to frontline justice services including the Maintenance Enforcement Program, Claims and Recoveries, the Office of the Chief Medical Examiner, the Civil Forfeiture Office, oversight of Legal Aid Alberta and the Property Rights Advocate Office.

Maintenance Enforcement Program and Child Support Recalculation Program

Delivering services in an innovative, client-centered manner and ensuring families are better supported continued to be priorities of the Maintenance Enforcement Program (MEP) in 2013-14. In keeping with a client-centered focus, MEP conducted a client survey to identify continuing priorities for service improvement. Reflecting efforts to improve efficiency, MEP continued with its business process re-engineering project to streamline internal practices.

MEP continued to explore new avenues to enhance collection activities and was successful in building a partnership with the Correctional Service of Canada to work with debtors who are incarcerated towards resolution of their MEP files. A growing debt, or the possibility of enforcement actions upon release, can create added barriers to successful reintegration into the community. Through this initiative, MEP assists in reducing these barriers while also securing funds on behalf of creditors that might otherwise not have been possible.

The Child Support Recalculation Program (RP) participated in the development of the *Children First Act* and pursued regulatory changes in support of this initiative. Parts of *the Children First Act* were proclaimed on November 1, 2013 and on January 1, 2014. Changes made through the *Child Support Recalculation Program Amendment Regulation* streamline and enhance current practices. These changes allow RP to provide better services to its clients, while also enhancing the ability for MEP and RP to share information to facilitate management of client files in both programs. The *Child Support Recalculation Program Amendment Regulation* was proclaimed on February 1, 2014.

On March 13, 2014, RP launched a new internet client account system called Recalculation Info Online (RIO). RIO offers clients convenient internet access to his/her file information 24 hours a day and allows individuals to both see and provide key information in a secure way. RIO helps clients meet his/her legal obligation to update contact details and provide income information each year.

Claims and Recoveries

A new case management system, Wincollect, was implemented for the Motor Vehicle Accident Recoveries (MVAR) Program. Wincollect provides improved functionality and accuracy in tracking MVAR debtor information and payments. This new case management system facilitates a more accessible and continuous case record which results in Albertans receiving professional and quality services. Additionally, Wincollect offers improved financial reporting which aids in internal decision-making and assists in providing financial and account status information for the Results-based Budgeting initiative.

The Fines Enforcement Program rolled out a province-wide process for collecting overdue *Traffic Safety Act* fines from all provincial court locations. Collection of these overdue fines creates greater confidence in the justice system by creating safer roads for Albertans through the enforcement of the law.

Office of the Chief Medical Examiner

The Office of the Chief Medical Examiner (OCME) has been working at reducing the time taken to complete death investigations. Currently, 90 per cent of death investigations are completed in less than three months and virtually all are completed in less than six months. The OCME has completed a review of the decedents transportation services model, and a new contract has been developed to ensure Albertans have access to fair, professional and quality services in their time of need. The OCME has also been collaborating with the Information Management and Technology Services division to evaluate the OCME's needs regarding the modernization of its information management system. This ongoing work will improve case management efficiency and will enhance audit and chain of custody trails. All these achievements are contributing to enhancing the efficiency of the OCME and strengthening its accountability to Albertans.

Civil Forfeiture Office

In 2013-14, the Civil Forfeiture Office made amendments to the *Victims Restitution and Compensation Payment Act* to allow the establishment of a new Administrative Forfeiture (AF) Process. AF involves using an administrative process to forfeit the instruments and proceeds of unlawful activity while still allowing respondents the right to dispute a forfeiture proceeding in court. Diverting non-contested cases out of the courts will help alleviate pressure on the court system, open court times for other cases and lower costs of the justice system.

The Civil Forfeiture Asset Management software for tracking assets in different stages of the forfeiture process has been implemented. This new software will create a single system for managing files through the entire civil forfeiture cycle. Once the new case management software is fully verified, tracking and reporting across the various work units involved will become more efficient and effective. This software will allow staff to respond more quickly to issues, resulting in a more streamlined civil forfeiture process for Albertans.

Property Rights Advocate Office

The Property Rights Advocate Office (PRAO) continued stakeholder discussions and public engagement. Presentations have been made to many groups and associations including: landowner groups; synergy groups (organizations that are intended to resolve issues between landowners and companies on a pre-emptive, co-operative basis); county sponsored events; industry associations; and provincial government departments and agencies. The purpose of these presentations was to increase awareness of PRAO as an information resource, and to gather concerns for consideration and inclusion in the PRAO annual report. Discussions with all of the three major landowner and surface rights groups in Alberta have occurred. There will be a focus on continuing to develop those relationships in the future, with the aim of growing awareness of our role as a public voice for property rights concerns. Over the past year the PRAO has also provided valuable, independent and impartial responses to information requests from Albertans throughout the province, along with various inquiries from the constituency offices of Members of the Legislative Assembly.

In addition to raising awareness about property rights and the role of the Property Rights Advocate, the PRAO prepared its first annual report (2012), pursuant to section 5 of the *Property Rights Advocate Act*. The PRAO annual report was filed with the Speaker of the Legislative Assembly and tabled in April 2013.

As an impartial resource, the PRAO remains committed to encouraging a culture of increased respect and sensitivity for property rights in Alberta, supporting a system of stable, strong and predictable private property rights which benefits all Albertans.

Priority Initiative 2.2: Develop and implement an integrated model for court-annexed programs and services.

An Integrated Model for Court-Annexed Programs and Services

The Programs and Services branch of Court Services is responsible for delivering assistance to Albertans accessing the court or broader justice system. Services provided include: Family Justice Services, Family Law Information Centres, Civil Mediation, Alberta Law Libraries, Law Information Centres, the Aboriginal Court Worker program and Civil Enforcement.

Better integration of the programs and services currently offered will achieve shared outcomes, strategically align resources and increase efficiency and effectiveness of program delivery for Albertans. The initiative will deliver a one-window approach where Albertans have access to all of our programs regardless of geographical location and ensure the consistent delivery of services across the province. Providing legal information and dispute resolution options is a fundamental part of access to justice. This initiative will provide a continuum of integrated information and

resolution options, where Albertans are able to choose to resolve disputes in an effective and timely manner. Key milestones achieved to date include:

- the development of a new organizational structure for court-annexed programs and services and recruitment to new leadership positions; and
- the development and approval of a new Integrated Service Delivery Model.

Priority Initiative 2.3: Improve access to justice by working with stakeholders to explore alternative funding mechanisms and service delivery models for the operation of the legal aid plan in Alberta.

Supporting Legal Aid Alberta

Funding for legal aid is a shared responsibility between the provincial government, the federal government and the Alberta Law Foundation. The Government of Alberta provided significant support to Legal Aid Alberta (LAA) with an annual grant in the amount of $58.8 million for 2013-14. This included a $10.9 million contribution from the federal government for criminal legal aid. As LAA enters the third year of a five year federal contribution agreement for criminal legal aid, Alberta continues to advocate for the federal government to increase its share of funding for this important service.

In 2013, the Government of Alberta assisted LAA in negotiating further agreements with the Alberta Law Foundation. For the 2014-15 and 2015-16 fiscal years, the Alberta Law Foundation has agreed to provide LAA with the greater of 25 per cent of interest earned on lawyers general trust accounts or $6 million dollars.

The ministry continues to work with LAA to implement and support the changes that arose as a result of the 2009 Legal Aid Review. Collaboration between the ministry and LAA regarding the evolution of services and ways to find and maintain funding sustainability will continue. Based on a fundraising feasibility study completed in 2012, LAA established a charitable foundation (the Legal Aid Foundation of Alberta) in 2013, which could enable LAA to explore alternate, additional sources of revenue in the future.

Priority Initiative 2.4: Support the development of leading practices on access to justice through participation on the national Action Committee on Access to Justice in Civil and Family Matters including representation on the Steering Committee, the Access to Legal Services/Legal Innovation Working Group and the Prevention, Triage and Referral Working Group.

Access to Justice in Civil and Family Matters

A national colloquium, put on by the Action Committee on Access to Justice in Civil and Family Matters, was held on January 27-28, 2014. Alberta played a significant role in helping to plan and deliver this successful event. Key system participants from all over the country were brought together to share and discuss innovations, best practices, current happenings and the cumulative findings of all the working groups and final reports undertaken by the Action Committee. The information sharing that occurred will assist Alberta as it moves forward with access to justice initiatives at the provincial level.

Occurring parallel to the national work, Alberta has continued to move ahead with key aspects supporting access to justice. The Joint Action Forum held on November 20, 2013 confirmed that changes are still required to provide greater access to justice for Albertans. Furthermore, the day confirmed that the principles put forward in the Action Committee's final report were principles to follow in Alberta. Those principles include:

- put the public first;
- collaborate and coordinate;
- prevent and educate;
- simplify, make coherent, proportional and sustainable;
- take action; and
- focus on outcomes.

Alberta's contributions continue as commitments were made by key stakeholders at the forum to advance work relating to access, specifically for family matters. A group co-chaired by a Court of Queen's Bench Justice and the Assistant Deputy Minister of Court Services will be looking at reforming the family justice system and will host multiple planning sessions in 2014-15. The goal of the planned sessions is to continue working collaboratively with stakeholders to advance reform in this area and make this process better for Albertans and the users of the system.

With regard to delivery of services in 2013-14, 1,615 cases were referred to the Family Mediation program and 95 cases were referred to the Child Protection and Intervention Mediation program. Moreover, 719 clients participated in the Focus on Communication in Separation sessions, 9,008 clients participated in the Parenting After Separation sessions, and 376 clients in the Parenting After Separation High Conflict sessions.

Priority Initiative 2.5: Explore the simplification of processes for uncomplicated, low monetary value civil claims and options for dispute resolution for the purpose of increasing access to justice for Albertans.

Civil Claims Review Project

The minister initiated the Civil Claims Review Project to examine the monetary limit of Provincial Court-Civil and identify options to streamline dispute resolution processes for civil claims.

Research on best practices has been completed and consolidated into an environmental scan report. Interviews were also conducted with key subject matter experts. The final report and recommendations of the Civil Claims Review Project were presented to the Minister of Justice and Solicitor General and to the Chief Judge of the Provincial Court on December 4, 2013 and their approval to proceed was received. A high-level plan for a phased approach to implementing the recommendations was approved by the minister on February 5, 2014.

Implementation of the recommendations from the Civil Claims Review Project is to occur during the 2014-15 fiscal year. Six working groups have been created to assist with implementing the recommendations of Civil Claims Review Project, including increasing the civil claims limit of Provincial Court to $50,000 and introducing an accompanying judicial triage process for Provincial Court-Civil effective August 1, 2014. These changes will ensure appropriate cases are streamlined

into processes that will encourage early resolution of the dispute, while ensuring judicial resources are available to deal with more complex matters. Giving Albertans greater access to the Provincial Court of Alberta will ensure more timely and cost-effective resolution of civil claims, using a more simplified and user-friendly process, while reducing the number of self-represented litigants in the other courts.

Priority Initiative 2.6: Explore alternatives for processes relating to fine payments and traffic court for the purpose of increasing access to justice for Albertans.

Fine Payments and Traffic Court

Introducing a low-cost, convenient way to pay traffic fines online will increase access to justice for Albertans. It will also increase efficiency by reducing the use of methods that are staff-intensive.

In an effort to increase convenience of paying traffic fines, Justice and Solicitor General is working with Service Alberta to prepare and develop an online portal. New processes and forms, as well as policies to ensure financial accountability, are currently being developed. Additional work on implementing revised security protocols will continue next fiscal year prior to the launch of the payment portal.

Consultations regarding potential reforms to the way traffic tickets are handled in Alberta have been held with stakeholders involved in giving, processing or accepting payment for these tickets. The proposal for change will be refined next fiscal year based on the input received through the consultation.

Priority Initiative 2.7: Working with other jurisdictions, explore alternative mechanisms or streamlined processes for addressing less serious criminal offences to improve capacity for addressing more serious offences in a timely manner.

Injecting a Sense of Urgency Report

The judicial stay of sexual assault charges arising from a case in Airdrie in October 2012 raised concern about the justice system and, in particular, what should be done to better manage excessive delays in the criminal justice system where an accused's right to a trial within a reasonable time may be breached, resulting in the case being judicially stayed (i.e., terminated by the judge). As a result of a review into this case, 17 immediate actions and longer term solutions were identified to prevent this type of miscarriage of justice from repeating itself.

After the report's release in April 2013, a number of initiatives were undertaken with a goal of improving efficiency and responsiveness of the criminal justice system. The Alberta Crown Prosecution Service (ACPS) has re-examined its practices and made numerous changes in order to fulfill the commitments made in Injecting a Sense of Urgency.

Quick Facts:

- Direct Indictments can reduce the length of time it takes to reach trial by eliminating the need for a preliminary inquiry. In 2013, there were 93 Direct Indictments filed in Alberta, compared to 20 Direct Indictments filed in 2012.
- Case Management Offices handle more than 7,000 cases per month which frees up court time and resources for more serious and complicated matters.

Some of the changes and actions developed over the past year include:

- Creation of a new police services protocol to increase pre-charge consultation on serious cases. By following the process outlined in the new agreement, fewer charges will be laid that have to be withdrawn or altered solely because of differences of opinion between police and Crown, thereby better serving the administration of justice.
- Distribution of the Best Practices for Investigating and Prosecuting Sexual Assault Handbook to every Alberta Crown prosecutor. A Crown prosecutor conference on the topic of sexual assault was held, where many of the topics in the Best Practices Handbook were examined in further detail.
- Implementation of mechanisms in some Crown offices and police services so that, when necessary, investigative files can be returned to the police in a timely fashion for further investigation.
- Improved use of criminal justice resources through better court case management processes and innovative technological solutions by continuing to expand Court Case Management (CCM) across the province. CCM was implemented in Cochrane in December 2013 and in Didsbury in January 2014. The Prosecution Information System Manager (PRISM), a file management system for prosecutors, was implemented in Fort McMurray in June 2013, Lethbridge in December 2013, and Grande Prairie in March 2014.
- Development of a Business Intelligence (BI) tool that can analyze court statistics to provide valuable insights into the functioning of the justice system. Through the use of BI the ministry can track how long cases are taking, how often courts sit, which courts are the busiest and what kinds of matters take up the most court time. Over the past year, BI has been used to flag serious and violent cases at risk of delay, and to track time to trial.
- Discussions with the Provincial Court of Alberta to consider moving cases to other locations to ensure serious and violent matters are not lost due to delay. In situations where a court is extremely busy and cannot handle lengthy or complex criminal cases in an effective and timely manner, moving cases to the nearest courtroom within the same judicial district with open court dates are being considered. As the Provincial Court of Alberta has sole jurisdiction to move cases from one sitting point to another, they will ultimately determine whether it is feasible to shift cases.
- Creation of new practices and policies to increase the use of Direct Indictments. A Direct Indictment dispenses with the Preliminary Inquiry and allows a prosecution to proceed directly to trial in the Court of Queen's Bench. Educational materials encouraging the use of Direct Indictments were distributed to Crown prosecutors. In 2013, 93 Direct Indictments were filed in Court of Queen's Bench compared to 20 in 2012.
- Collaboration with Federal, Provincial and Territorial justice officials to change the *Criminal Code of Canada* to limit the use of Preliminary Inquiries is being advanced. The initiative is moving through the federal law amendment/development process.
- Initiation of a traffic court reform project to more effectively deal with increasing volumes of traffic tickets. The goal is to make the process more sustainable, accessible, effective and efficient, while maintaining Albertans' right to challenge a ticket. Consultation forums

were held on March 17 and 18, 2014 in Edmonton and Calgary. In addition, a web survey and email address was implemented in March 2014 to collect input from additional stakeholders and the public. Consultation with partner ministries was also completed in March 2014.

Priority Initiative 2.8: Monitor and assess the impact of the federal Safe Streets and Communities Act on the criminal justice system.

The Impact of the federal Safe Streets and Communities Act

Changes within the criminal justice system continue to be assessed and monitored in order to understand and address their impacts. Crown prosecutors in the Alberta Crown Prosecution Service Tech Crime Unit have noted an increase in workload. In 2013-14, the average daily population of individuals in adult custody has increased 3.4 per cent over 2012-13. Longer term trend analysis will be undertaken in order to assess the impact of the federal Safe Streets and Communities Act on the criminal justice system.

Priority Initiative 2.9: Work with justice system stakeholders to create an enhanced stakeholder engagement framework and to further collaborate on justice system issues, including access to justice.

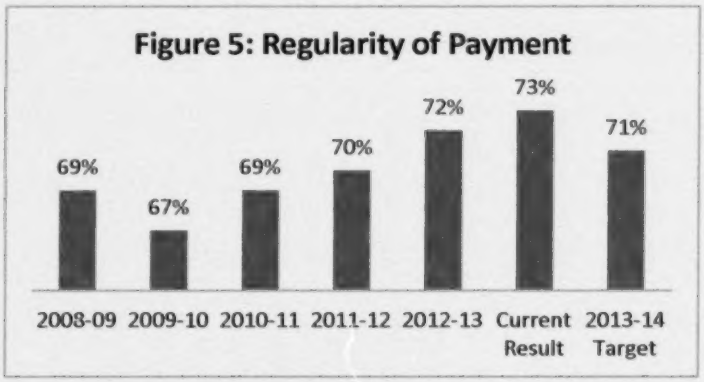
Stakeholder Engagement

Engagement with stakeholders is vital to the ministry's development of policy and legislation, and its sharing and gathering of information. A significant stakeholder engagement initiative commenced in November 2013 to improve access to justice in the civil and family justice systems. This initiative will continue to collaborate with stakeholders and has led to further stakeholder engagement in the form of the Reforming the Family Justice System Project. Preliminary work has also begun to develop an engagement framework to guide the departments planning and implementation of effective stakeholder consultations and public participation initiatives.

Performance Measures

Performance Measure 2.a: Maintenance Enforcement Program's compliance rate on cases enrolled by regular monthly payments

In 2013-14, the Maintenance Enforcement Program (MEP) regularity of payment rate (73 per cent) increased by one percentage point from the previous year (refer to Figure 5).



Prior Years' Results					Current Result	2013-14 Target
2008-09 Result	2009-10 Result	2010-11 Result	2011-12 Result	2012-13 Result		
69%	67%	69%	70%	72%	73%	71%

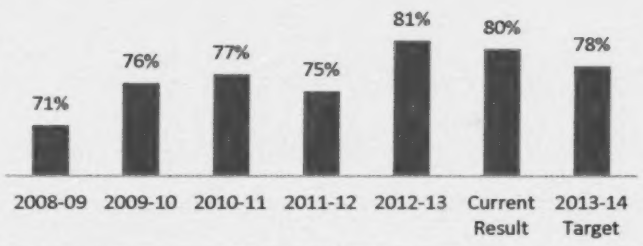
The 71 per cent target was exceeded by two percentage points. Continued economic growth in Alberta may have been a factor in this increase, as Albertans were able to secure more stable and regular employment. MEP has made a concerted effort to ensure maintenance payments are paid as they are due.

MEP relies on a number of enforcement actions, utilized in accordance with a collection progression. As the default on a file becomes more serious, so do the enforcement actions. Default penalties and interest charges are applied to files when payments are not made in full and on time. To encourage increased regularity of payments, MEP works with reciprocal jurisdictions across Canada to identify and adopt best practices for collection activities and to reduce delays when clients move from one jurisdiction to another.

Performance Measure 2.b: Percentage of Albertans who agree that fair and impartial service is provided to prosecute people charged with a crime

In 2013-14, the majority (80 per cent) of Albertans agreed that Justice and Solicitor General provides a fair and impartial prosecution service (refer to Figure 6). This is a decrease of one percentage point from the previous year and exceeds the target (78 per cent) by two percentage points. Twelve per cent of Albertans disagreed that Justice and Solicitor General provides a fair and impartial prosecution service and seven per cent did not provide an opinion.

Figure 6: Perception of Fairness in the Prosecution Service



Prior Years' Results					Current Result	2013-14 Target
2008-09 Result	2009-10 Result	2010-11 Result	2011-12 Result	2012-13 Result		
71%	76%	77%	75%	81%	80%	78%

Agreement was higher among respondents 18 to 24 years of age and those who have confidence in Alberta's justice system. Among those who disagreed that Justice and Solicitor General provides a fair and impartial service to prosecute people charged with a crime, the top reasons were that specific groups are not treated equally, punishment does not fit the crime, penalties are too lenient, those charged with a crime are released on bail too easily, the system does not protect the victim and their own personal experience with the justice system.

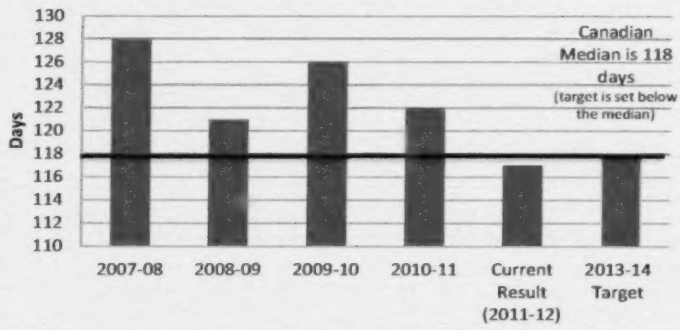
Justice and Solicitor General has undertaken a number of initiatives over the past several years to improve the efficiency and effectiveness of prosecution and court services, which may have contributed to improved perceptions of the prosecution service in general. The Court Case Management (CCM) project was introduced to increase Albertans' access to justice by making better use of court time and improve the management of cases. CCM processes have been implemented and include a Case Management Office, Remote Courtroom Scheduling and PRISM - a Crown File Ownership System.

Many projects that the Alberta Crown Prosecution Service has pursued have the concept of proportionality at their core. The idea is to use streamlined processes to move less serious matters out of the formal court system, so that serious and violent criminal matters receive priority.

Performance Measure 2.c: Median elapsed time from first to last appearance for a criminal case in Provincial Court and Court of Queen's Bench of Alberta

Alberta's median elapsed time in 2011-12[1] is 117 days (includes Provincial Court of Alberta and Court of Queen's Bench). Alberta's median elapsed time is one day under the targeted Canadian median, which was 118 days (refer to Figure 7). In 2011-12, Alberta's median elapsed time decline to 117 days[2] from 122 days in 2010-11 can be attributed to a seven per cent decrease in the number of cases from 57,830 in 2010-11 to 53,763 in 2011-12.

Figure 7: Median Elapsed Time



Prior Years' Results				Current Result (2011-12)	2013-14 Target
2007-08 Result	2008-09 Result	2009-10 Result	2010-11 Result		
128 days	121 days	126 days	122 days	117 days	Below Canadian Median (118 days)

CCM is an innovative initiative to improve access to justice and has been implemented with positive results. CCM incorporates the introduction of new technology such as Remote Courtroom Scheduling (booking matters online by computer or mobile device) and Case Management offices. The offices ensure an efficient use of the court's time and facilities by hearing routine criminal matters that need not be heard by a judge. CCM may reduce the number of cases and a reduction in cases would influence the median elapsed time.

[1] At the time of annual report publication, the most current result available from the Canadian Centre for Justice Statistics were for 2011-12. These results were published in the Integrated Criminal Court Survey/Adult Criminal Court Survey, June 13, 2013. *Source: Integrated Criminal Court Survey/Adult Criminal Court Survey*, Canadian Centre for Justice Statistics.

[2] The 2011-12 result of 117 days is a four per cent improvement over the 2010-11 result of 122 days.

GOAL 3

Alberta has effective custody and community supervision services.

Quick Facts:

- The ministry operates eight adult correctional facilities and two young offender centers.
- The Edmonton Remand Centre has capacity for 1,952 inmates and is approximately 60,000 square metres, sits on a 16 hectare site, and meets Leadership in Energy and Environmental Design Silver certification.

Importance to Albertans

Goal three contributes to the creation of safe and secure Alberta communities by ensuring communities are protected, and persons under the authority of correctional services are held accountable through custody and supervision. Thus, Justice and Solicitor General is responsible for managing adult and young offenders participating in various community corrections programs. The ministry is also responsible for enforcing court orders, providing supervision and rehabilitative intervention for individuals under community supervision.

Highlights and Accomplishments

Priority Initiative 3.1: Establish operation of the new Edmonton Remand Centre and decommission the old Edmonton Remand Centre.

The new Edmonton Remand Centre (ERC) opened in the north end of Edmonton during the spring of 2013 and it is the largest, most technologically advanced correctional facility of its kind in Canada. The ERC replaced the 33-year-old remand centre located in downtown Edmonton and is part of a long-term solution to address the growing custody population within Alberta. The ERC is designed to accommodate approximately 1,900 inmates and through the application of a direct supervision model is able to increase access to justice and improve the overall safety of officers and corrections personnel. The ERC's forward-thinking design allows for the flexibility to expand and evolve to address the correctional needs of today and tomorrow.

With the opening of the new ERC, a number of programming opportunities have also been introduced to facilitate rehabilitative opportunities for inmates. Available opportunities include a focus on education, life and work skills programs.

Priority Initiative 3.2: Support the initiation and ongoing delivery of state of the art health care services at the new Edmonton Remand Centre and support organizational readiness for external accreditation of provincial corrections health care delivery.

With the opening of the new ERC in early 2013, efforts have been directed towards the design and delivery of state of the art health care services within this centre. The design phase was completed and the centre, including the health care area, became operational in April 2013. Working in collaboration with Alberta Health Services, the ministry has continued its focus towards enhancing healthcare within provincial correctional facilities. A key element within this focus has been the ministry's continued commitment to support organizational readiness for external accreditation by Accreditation Canada. The accreditation process commences in spring 2014 at select provincial centres.

Priority Initiative 3.3: Work with other ministries and stakeholders to explore policy options to more effectively rehabilitate and support individuals involved in the criminal justice system and implement enhanced, targeted recidivism reduction strategies.

The ministry is committed to the implementation of recidivism reduction strategies for individuals within the criminal justice system through targeted areas including: programs and supports for individuals suspected to have, or have been diagnosed with, Fetal Alcohol Spectrum Disorder; the continued operation of the Integrated Justice Services Project (IJSP); and the Strategic Training Initiative in Community Supervision (STICS) pilot program.

IJSP is a collaboration between government ministries responsible for health, justice and social programs (Justice and Solicitor General, Health, and Human Services), police, and municipalities who have a collective interest in the development and maintenance of safe communities for Albertans. The goal of IJSP is to prevent or reduce offending and reoffending by targeting the risk factors of criminality with a particular focus on addressing mental health and substance abuse issues.

In addition to the aforementioned initiatives, the ministry also provided approximately $360,000 in funding to support restorative justice programs and initiatives. Restorative justice brings victims and offenders together to discuss the impact of the crime and provides a safe space to discuss how the harm can best be repaired or restored. Restorative justice also empowers victims by providing an opportunity to express their perspectives and needs. Restorative programs supplement, or are an alternative, to any sentence and can be initiated at any time during the criminal justice process. In 2013-14, 485 clients were referred to the restorative justice process, and 223 mediation sessions were held between the victims and the offenders. Of the 223 mediation sessions, 217 resulted in a signed contract on how the offender could make amends for his or her actions. The compliance rate for those signed contracts was 79 per cent.

There are 131 Youth Justice Committees throughout the province with approximately 1,500 volunteers. In November 2013, the annual Youth Justice Committee conference was held in Calgary with over 350 participants and $350,000 in grants were provided to individual committees. The Young Offender branch of the ministry is responsible for all aspects of the program at the provincial level including grants, policy, standardized resources, an annual conference, and ongoing direction. Local training and support is provided through probation officers in rural areas, and by the Extrajudicial Sanctions Coordinators in Edmonton and Calgary.

Priority Initiative 3.4: Implement a Quality Assurance Strategy to ensure evidence-based and best practice approaches in community supervision of offenders.

The application of evidence-based and best practice approaches in community supervision of offenders has been demonstrated through the ministry's participation within the Strategic Training Initiative in Community Supervision (STICS). As an evidence-based model rooted in the Risk-Need-Responsivity principles, STICS has provided an avenue for probation officers to focus on criminogenic needs through structured interviews with offenders, cognitive behavioural techniques, and pro-social modelling.

Within this annual review period, the ministry completed a pilot project with probation officers in Edmonton led by researchers from Public Safety Canada. Approximately 20 Probation Officers received training in STICS and implemented the techniques during the pilot project as an

experimental group. The work was compared to a control group of about 20 Probation Officers, who had not received the training. The STICS preliminary results indicate an increase of service and supervision to match the needs and risks of clients.

Priority Initiative 3.5: Enhance the management of offenders under correctional jurisdiction through the use of new technology.

In conjunction with the opening of the new ERC, new technology was established to facilitate visitation with individuals in custody through the use of video conferencing technology. ERC is designed to accommodate more video court appearances with 53 video court arraignment facilities on-site compared to 10 at the former remand centre. This greatly decreases the demand on court time and allows Alberta's justice system to be more accessible and efficient. The technology also reduces security concerns by providing a direct video link to courts throughout Alberta instead of having to transport inmates in person. As well, the video-visiting capacity at the new centre can accommodate more than 1,400 visits per day, compared to only 100 in-person visits per day at the former downtown remand centre.

A new offender management system, Offender Records and Correctional Administration (ORCA) was introduced in early 2013, and allows the ministry to integrate three legacy information management systems into one new operating system. ORCA supports ministerial personnel in their objective of managing a growing offender population with a variety of complex needs with real-time and accessible electronic information, thereby contributing to effective custody and community supervision services.

The Best Practices Portal website was launched in January 2014 and is a continual training resource for probation officers and correctional services workers completing risk assessments on offenders. More accurately scored risk assessments lead to better needs identification and program referrals to address risk factors and contribute to safe communities for Albertans.

The quality assurance database was under development in 2013-14 and is set to become operational in the summer of 2014. The Quality Assurance database streamlines the file review process and provides quantitative measures to ensure file integrity and qualitative measures to assess offender case plans and assist with ongoing development of staff. The database will track any prevalent issues that may hinder the process of addressing offenders' criminogenic risk

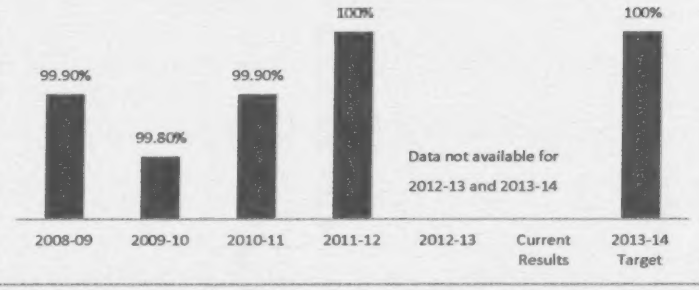
Performance Measures

Performance Measure 3.a: Percentage of offenders successfully completing conditional release without incurring new criminal charges

The temporary Absence Program is an early conditional release program available to selected low risk offenders, including intermittent servers and fine defaulters, serving sentences in provincial correctional facilities.

Offenders released under this program are involved in employment, rehabilitative, or community service programs. This measure focuses on the percentage of offenders completing their conditional release without incurring new criminal charges (refer to Figure 8).

Figure 8: Successful Completion of Conditional Release



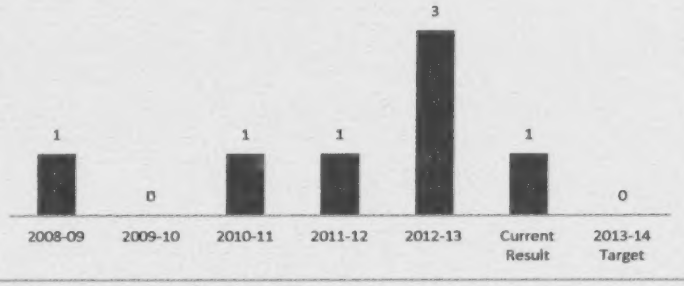
Prior Years' Results					Current Result	2013-14 Target
2008-09 Result	2009-10 Result	2010-11 Result	2011-12 Result	2012-13 Result		
99.9%	99.8%	99.9%	100%	Not Available	Not Available	100%

The 2013-14 results are not available because it was determined that the data and data sources that were available in the previous system are not available in the ORCA. The ministry has identified the current actual as "not available." The methodology is currently under review, given the system change to ORCA.

Performance Measure 3.b: Number of escapes from secure custody or during transport

In 2013-14 there was one escape during a medical escort by correctional peace officers (refer to Figure 9). The inmate was apprehended by the correctional peace officers a short distance away. This result is a decrease of two from the previous year.

Figure 9: Escapes



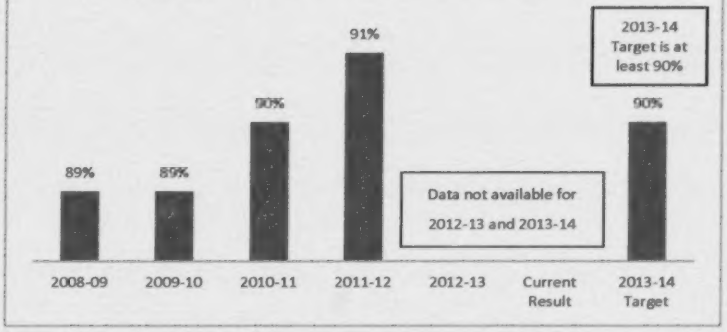
Prior Years' Results					Current Result	2013-14 Target
2008-09 Result	2009-10 Result	2010-11 Result	2011-12 Result	2012-13 Result		
1	0	1	1	3	1	0

While no escapes from secure custody are considered acceptable, factors such as the size of custody populations, the number of external movements, and the hardening of the offender profile can increase the risk for escape. Many steps are taken to reduce the possibility of escape incidents, including staff training, collecting and communicating relevant preventative security information, and providing effective operational policies and procedures. Conducting video court at the correctional centres has reduced the necessity to transport inmates for some court appearances. When an incident occurs senior management conducts a thorough investigation into the incident and takes further action as needed.

Performance Measure 3.c: Percentage of incarcerated offenders involved in work, education, treatment or life management programs

The 2013-14 results are not available because it was determined that the data and data sources that were available in the previous system are not available in the ORCA. The ministry has identified the current actual as "not available" (refer to Figure 10). The methodology is currently under review, given the system change to ORCA.

Figure 10: Offenders in Programs



Prior Years' Results					Current Result	2013-14 Target
2008-09 Result	2009-10 Result	2010-11 Result	2011-12 Result	2012-13 Result		
89%	89%	90%	91%	Not Available	Not Available	At least 90%

Performance Measure Methodology

1.a Percentage of Albertans who feel safe walking alone in their area after dark

Source: *Alberta Justice and Solicitor General Public Opinion Survey*

A public opinion telephone survey is conducted on an annual basis. The survey was conducted in January and February 2014. Professionally trained interviewers conduct all interviews from a central telephone facility. The survey was completed on a computer-assisted telephone interviewing system that allows for ongoing tabulation of results. Ten per cent of all interviews were monitored online.

In 2008-09, 2009-10, 2010-11, and 2011-12 Justice and Attorney General and Solicitor General and Public Security both conducted their own independent surveys. However, both ministries asked Albertans how safe they feel walking alone in their neighbourhood after dark. The results from both ministries' surveys are combined to provide the 2008-09, 2009-10, 2010-11 and 2011-12 results.

In 2012-13 and 2013-14, Justice and Solicitor General conducted a single survey of 2,000 respondents each year. To survey a random and representative sample of adult Albertans, quotas were established based on Statistics Canada's 2011 Census data. In each of the six geographic regions of the province, the number of interviews in each age-gender segment was proportionate to their 2011 population estimates. Results are reliable to within ±2.2 per cent at the 95 per cent confidence level. Data for this measure is reviewed by the Office of the Auditor General.

1.b Percentage of Albertans satisfied with policing in Alberta over the past 12 months

Source: *Alberta Justice and Solicitor General Public Opinion Survey*

A public opinion telephone survey is conducted on an annual basis. The survey was conducted in January and February 2014. Professionally trained interviewers conduct all interviews from a central telephone facility. The survey was completed on a computer-assisted telephone interviewing system that allows for ongoing tabulation of results. Ten per cent of all interviews were monitored online.

Historically, the sample size for this survey question was 1,200. The 2013-14 sample size for this survey question was 2,000. To survey a random and representative sample of adult Albertans, quotas were established based on Statistics Canada's 2011 Census data. In each of the six geographic regions of the province, the number of interviews in each age-gender segment was proportionate to their 2011 population estimates. Results are reliable within ±2.2 per cent at the 95 per cent confidence level. Data for this measure is reviewed by the Office of the Auditor General.

1.c Percentage of victims satisfied with services provided by employees and volunteers within the criminal justice system

Source: *Justice and Solicitor General, Public Security Division Victim Services Evaluation Survey*

The ministry tracks the satisfaction of individuals who receive services from employees and volunteers within the criminal justice system. The evaluation survey is included in the Financial Benefits Application package and submitted with their application for financial benefits. Victims

apply to the financial benefits program on a continual basis throughout the fiscal year and, as a result, the survey data collection timeframe runs for one full fiscal year. Therefore, for the fiscal year 2013-14, data was collected from April 1, 2013 to March 31, 2014. Results are compiled from the responses completed by individuals who choose to respond to this survey at the time they apply to the program. Results are reliable within ±3.2 per cent at the 95 per cent confidence level.

The response rate for this survey was 22 per cent in 2013-14. The response rate is calculated using the number of Financial Benefit applications received (2,340) and the total number of responses to the survey (515).

Respondents are asked to rate how satisfied they are with the overall service provided by employees and volunteers within the criminal justice system. The survey uses a five point Likert scale ranging from one (very dissatisfied) to five (very satisfied). The methodology consists of totaling the cumulative score for the responses to this question and dividing by the total number of valid completed responses to the question. The results provide an average score which is then converted to a percentage for consistency with other ministry performance measures. Data for this measure is reviewed by the Office of the Auditor General.

2.a Maintenance Enforcement Program's compliance rate on cases enrolled by regular monthly payments

Source: Justice and Solicitor General Administrative Data, Maintenance Enforcement Program

Terms of maintenance orders and agreements are entered into the Maintenance Information Management System (MIMS). The overall amount of maintenance payments that are due each month are then totaled by MIMS. Payments received are also entered into the system and totaled monthly by MIMS. This measure shows the amount of regular maintenance collected as a percentage of the regular maintenance due. The result is calculated on a monthly basis by dividing the amount of regular maintenance collected in a month by the amount of regular maintenance due in that month. The annual result is an average of the monthly results. The methodology for this measure was adapted from a similar measure developed by the Canadian Centre for Justice Statistics. Data for this measure is reviewed by the Office of the Auditor General.

2.b Percentage of Albertans who agree that fair and impartial service is provided to prosecute people charged with a crime

Source: *Alberta Justice and Solicitor General Public Opinion Survey*

A public opinion telephone survey is conducted on an annual basis. The survey was conducted in January and February 2014. Professionally trained interviewers conducted all interviews from a central telephone facility. The survey was completed on a computer-assisted telephone interviewing system that allows for ongoing tabulation of results. Ten per cent of all interviews were monitored online.

Historically, the sample size for this survey question was 750. With the merger of the former ministries of Justice and Attorney General and Solicitor General and Public Security, the previous survey sample sizes (750 for Justice and Attorney General and 1,200 for Solicitor General and Public Security) were combined. The 2012-13 sample size for this survey question was 2,000 and was kept at 2,000 for 2013-14. To survey a random and representative sample of adult Albertans,

quotas were established based on Statistics Canada's 2011 Census data. In each of the six geographic regions of the province, the number of interviews in each age-gender segment was proportionate to their 2011 population estimates. Results are reliable within ±2.2 per cent at the 95 per cent confidence level. Data for this measure is reviewed by the Office of the Auditor General.

2.c Median elapsed time from first to last appearance for a criminal case in Provincial Court and Court of Queen's Bench of Alberta

Source: *Integrated Criminal Court/Adult Criminal Court Survey*, Canadian Centre for Justice Statistics (CCJS). Data is available annually. CCJS Juristat publication was available June 13, 2013.

Median elapsed time from first to last appearance represents the mid-point in elapsed time between first and last appearance for all adult criminal cases processed in Provincial and Superior Court. In Alberta, this is the Provincial Court of Alberta and the Court of Queen's Bench.

Performance data for median elapsed time from first to last appearance is obtained from the Integrated Criminal Court Survey/Adult Criminal Court Survey, Canadian Centre for Justice Statistics (CCJS). The ministry provides annual data from the Justice Online Information Network (JOIN) to CCJS' Integrated Criminal Court/Adult Criminal Court Survey through an automated interface. At CCJS, the data are edited, verified and signed off with the ministry. Information from a number of jurisdictions such as Manitoba, superior courts in Prince Edward Island, Quebec, Ontario, and Saskatchewan, as well as municipal courts in Quebec, are excluded due to the unavailability of data.

A methodology change was introduced by CCJS in 2007-08, which delayed the publication of further results until 2009-10. Therefore, results published in Alberta Justice and Attorney General annual reports prior to 2009-10 are not comparable to results published in the 2013-14 annual report. At the time of annual report publication, the most current results available from CCJS were for 2011-12.

Results published in the 2009-10 and 2010-11 Alberta Justice and Attorney General annual reports have been restated to account for cases that were pending at the end of the reference period, had no subsequent activity for a full year and were therefore deemed closed, as per the CCJS published methodology.

3.a Percentage of offenders successfully completing conditional release without incurring new criminal charges

Source: *Justice and Solicitor General Administrative Data, Correctional Services Division*

A new offender management system, Offender Records and Correctional Administration (ORCA), was introduced in February 2013 and replaced the legacy system; Correctional Management Information System (CoMIS). Data on temporary absences (conditional releases) granted and suspended due to re-offence was stored in the CoMIS until January 2013. This system provided the ministry with a database of operational statistical information about offenders housed in provincial correctional centres. Data extracts were produced from CoMIS each month providing data on offender demographics, admissions, movements, charges and releases for analysis.

The system produced operational reports containing the number of conditional releases granted during the month and year-to-date. The number of suspensions due to re-offence was obtained by analysis of the data extracts produced from the system. The percentage of successful conditional release completions was calculated by subtracting the number of conditional releases suspended due to re-offence from the number of conditional releases granted. The result was then divided by the total number of conditional releases granted.

Data used to calculate this measure is not currently available from ORCA; therefore, the ministry has identified the current actual as "data not available". The methodology is currently under review, given the system change to ORCA.

3.b Number of escapes from secure custody or during transport

Source: Justice and Solicitor General Administrative Data, Correctional Services and Public Security Divisions

The performance measure reports the absolute number of incidents of escape from secure custody or during transport. To be counted as an escape from secure custody, the escape must meet all of the requirements for a prison breach as described in section 144 of the *Criminal Code of Canada*. Offenders who walk away from minimum-security settings, or who fail to return from a period of conditional release, are not counted as escapes from secure custody. Escapes that occur during transportation under the supervision of a correctional peace officer or a sheriff are included.

All adult correctional centres and young offender centres report the number of escapes from secure custody or during transportation of an offender under the supervision of a correctional peace officer, on a monthly basis on the monthly offender activity reports. When a centre reports an escape it is investigated by a Board of Inquiry. If police become involved in apprehending the offender, a police report is prepared as well.

If an escape incident occurs when transporting an offender staff involved in the transport complete an incident report. If police become involved in apprehending the offender, a police report is prepared as well. Management conducts investigations into all escape incidents and takes further action as needed. Data for this measure is reviewed by the Office of the Auditor General.

3.c Percentage of incarcerated offenders involved in work, education, treatment or life management programs

Source: Justice and Solicitor General Administrative Data, Correctional Services Division

A new offender management system, ORCA, was introduced in February 2013 and replaced the legacy system; CoMIS. Historically, this measure is calculated in CoMIS by dividing the estimated average daily number of sentenced adult offenders and sentenced and remanded young offenders involved in work, education, treatment or life management programs by the average daily population of eligible offenders.

Staff in each correctional centre calculates a monthly average number of offenders involved in work, education, treatment or life management programs and enter this information on a Monthly Offender Activity Report. Summary reports are compiled for all correctional centres in the province.

Average population statistics for each correctional centre are obtained from an operational report produced by the correctional administration system which provided the ministry with a database of operational statistical information.

Data used to calculate this measure is not currently available from ORCA; therefore, the ministry has identified the current actual as "data not available". The methodology is currently under review, given the system change to ORCA.

Financial Information

Ministry of Justice and Solicitor General

Financial Statements

March 31, 2014

MINISTRY OF JUSTICE AND SOLICITOR GENERAL

Consolidated Financial Statements

Year Ended March 31, 2014

Independent Auditor's Report

Consolidated Statement of Operations

Consolidated Statement of Financial Position

Consolidated Statement of Cash Flows

Notes to the Consolidated Financial Statements

Schedule 1 - Revenues

Schedule 2 - Credit or Recovery

Schedule 3 - Expenses – Directly Incurred Detailed by Object

Schedule 4 - Budget Reconciliation

Schedule 5 - Related Party Transactions

Schedule 6 - Allocated Costs

Independent Auditor's Report

AUDITOR GENERAL *Alberta*

To the Members of the Legislative Assembly

Report on the Consolidated Financial Statements

I have audited the accompanying consolidated financial statements of the Ministry of Justice and Solicitor General, which comprise the consolidated statement of financial position as at March 31, 2014, and the consolidated statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these consolidated financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Ministry of Justice and Solicitor General as at March 31, 2014, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, FCA]

Auditor General

May 26, 2014

Edmonton, Alberta

MINISTRY OF JUSTICE AND SOLICITOR GENERAL
CONSOLIDATED STATEMENT OF OPERATIONS
Year ended March 31, 2014

	2014		2013
	Constructed Budget (Schedule 4)	Actual	Actual
	(in thousands)		
Revenues (Schedule 1)			
Government Transfers			
Federal Government Grants	$ 42,000	$ 41,211	$ 44,493
Premiums, Fees and Licences	39,614	38,409	37,033
Investment Income	987	1,131	931
Other Revenue	163,714	179,330	175,369
	246,315	260,081	257,826
Expenses – Directly Incurred (Note 2(c) and Schedule 6)			
Program (Schedule 3 and Notes 3 and 8)			
Ministry Support Services	58,955	57,466	62,539
Court Services	199,199	209,049	212,521
Legal Services	52,671	52,460	50,115
Criminal Justice	90,965	90,001	87,774
Safe Communities	-	-	16,690
Support for Legal Aid	58,810	58,810	65,810
Justice Services	38,464	37,584	35,172
Public Security	475,549	486,123	464,889
Correctional Services	241,987	256,085	233,107
Alberta Human Rights	8,264	8,090	7,986
Motor Vehicle Accident Claims	23,687	23,412	20,589
Victims of Crime Fund	29,842	29,814	33,820
	1,278,393	1,308,894	1,291,012
Net Operating Results	$ (1,032,078)	$ (1,048,813)	$ (1,033,186)

The accompanying notes and schedules are part of these consolidated financial statements.

MINISTRY OF JUSTICE AND SOLICITOR GENERAL
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at March 31, 2014

	2014	2013 (Restated Note 2 (d))
	(in thousands)	
Assets		
Cash and Cash Equivalents (Note 4)	$ 58,863	$ 49,952
Accounts Receivable (Note 5)	147,173	152,515
Advances	39	44
Tangible Capital Assets (Note 6)	274,211	258,056
	$ 480,286	$ 460,567
Liabilities		
Accounts Payable and Accrued Liabilities	$ 282,139	$ 274,245
Deferred Revenue (Note 7)	5,645	14,278
	$ 287,784	$ 288,523
Net Assets		
Net Assets at Beginning of Year	172,044	55,168
Net Operating Results	(1,048,813)	(1,033,186)
Net Financing Provided from General Revenues	1,069,271	1,150,062
Net Assets at End of Year	192,502	172,044
	$ 480,286	$ 460,567

Contingent Liabilities and Contractual Obligations (Notes 9 and 10)

The accompanying notes and schedules are part of these consolidated financial statements.

MINISTRY OF JUSTICE AND SOLICITOR GENERAL
CONSOLIDATED STATEMENT OF CASH FLOWS
Year ended March 31, 2014

	2014	2013
	(in thousands)	
Operating Transactions		
Net Operating Results	$ (1,048,813)	$ (1,033,186)
Non-cash items included in Net Operating Results		
Amortization	17,085	20,698
Grants in Kind	209	-
Unearned Revenue recognized as Revenue	(11,229)	(11,259)
Loss on Write Down of Tangible Capital Assets	22,200	-
Loss on Disposal of Tangible Capital Assets	64	15
	(1,020,484)	(1,023,732)
Decrease (Increase) in Accounts Receivable	5,342	(24,344)
Increase in Accounts Payable and Accrued Liabilities	7,894	13,270
Unearned Revenue received/receivable	2,596	2,204
Cash Applied to Operating Transactions	(1,004,652)	(1,032,602)
Capital Transactions		
Acquisition of Tangible Capital Assets	(55,990)	(112,292)
Transfer of Tangible Capital Assets from Other Ministries	-	(7,874)
Transfer of Tangible Capital Assets to Other Ministries	277	177
Cash Applied to Capital Transactions	(55,713)	(119,989)
Investing Transactions		
Decrease in Advances	5	6
Cash Provided by Investing Transactions	5	6
Financing Transactions		
Net Financing Provided from General Revenues	1,069,271	1,150,062
Cash Provided by Financing Transactions	1,069,271	1,150,062
Increase (Decrease) in Cash and Cash Equivalents	8,911	(2,523)
Cash and Cash Equivalents at Beginning of Year	49,952	52,475
Cash and Cash Equivalents at End of Year	$ 58,863	$ 49,952

The accompanying notes and schedules are part of these consolidated financial statements.

MINISTRY OF JUSTICE AND SOLICITOR GENERAL
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
MARCH 31, 2014

NOTE 1 AUTHORITY AND PURPOSE

The Minister of Justice and Solicitor General has, by the *Government Organization Act* and its regulations, been designated responsible for various acts. To fulfill these responsibilities, the Ministry of Justice and Solicitor General administers the organizations listed below. The authority under which each organization operates is also listed. Together, these organizations form the Ministry of Justice and Solicitor General.

Organization	Authority
Department of Justice and Solicitor General	*Government Organization Act*
Human Rights Education and Multiculturalism Fund	*Alberta Human Rights Act*
Victims of Crime Fund	*Victims of Crime Act*

The Ministry's purpose is to serve Albertans by promoting safe and secure communities through effective law enforcement, security and correctional services, by ensuring access to the courts and other methods of dispute resolution, by supporting victims, by providing legal and related strategic services to the Government of Alberta, by protecting human rights, promoting fairness and access, and supporting the inclusion of all Albertans and by communicating with Albertans about the administration of justice.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These consolidated financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

(a) Reporting Entity

The reporting entity is the Ministry of Justice and Solicitor General for which the Minister of Justice and Solicitor General is accountable. These consolidated financial statements include the activities of the Department of Justice and Solicitor General, Human Rights Education and Multiculturalism Fund (a provincial agency) and the Victims of Crime Fund (a regulated fund).

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the President of Treasury Board and Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net Financing provided from General Revenues is the difference between all cash receipts and all cash disbursements made.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Consolidation

The accounts of the Department of Justice and Solicitor General, the Human Rights Education and Multiculturalism Fund, and the Victims of Crime Fund have been consolidated after adjusting them to a basis consistent with the accounting policies described below. Revenue and expense transactions, investing and financing transactions and related asset and liability accounts between these consolidated organizations are eliminated upon consolidation.

(c) Basis of Financial Reporting

Revenue accounting policy

All revenues are reported on the accrual basis of accounting except for payments on Motor Vehicle Accident Claims judgment debts and Maintenance Enforcement fees, penalties and subrogated revenues, which are recorded when received. Revenues for Motor Vehicle Accident Claims fees are reported when the service has been rendered. Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Government transfers

Transfers from the Government of Alberta, federal and other governments are referred to as government transfers.

Government transfers are recorded as deferred revenue if the terms of the transfer, or the stipulations together with the department's actions and communications as to the use of transfers create a liability.

All other government transfers, without terms for the use of the transfer, are recorded as revenue when the ministry is eligible to receive the funds.

Credit or Recovery

Credit or Recovery initiatives provide a basis for authorizing spending. Credits or Recoveries are shown in the details of the Government Estimates for a supply vote. If budgeted revenues are not fully realized, spending is reduced by an equivalent amount. If actual Credit or Recovery amounts exceed budget, the ministry may, with the approval of the Treasury Board Committee, use the excess to fund additional expenses of the program. Schedule 2 discloses information on the ministry's Credit or Recovery Initiatives.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(c) Basis of Financial Reporting (Cont'd)

Expenses

Directly Incurred

Directly Incurred expenses are those costs the ministry has primary responsibility and accountability for, as reflected in the government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets,
- pension costs, which are the cost of employer contributions for current service of employees during the year, and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, banked overtime, guarantees and indemnities.

Grants are recognized as expenses when authorized, eligibility criteria and conditions, if any, are met and a reasonable estimate of the amounts can be made.

Incurred by Others

Services contributed by other entities in support of the ministry's operations are not recognized and are disclosed in Schedule 5 and allocated to programs in Schedule 6.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the ministry are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Assets acquired by right are not included.

Tangible capital assets of the ministry are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000.

Amortization is only charged if the tangible capital asset is in use.

When physical assets (tangible capital assets) are gifted, the net book value of these physical assets are recorded as grants in kind.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(c) Basis of Financial Reporting (Cont'd)

Liabilities
Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Net Assets/Net Liabilities
Net Assets/Net Liabilities represent the difference between the carrying value of assets held by the ministry and its liabilities.

Canadian Public Sector Accounting Standards require a "net debt" presentation for the statement of financial position in the summary financial statements of governments. Net debt presentation reports the difference between financial assets and liabilities as "net debt" or "net financial assets" as an indicator of the future revenues required to pay for past transactions and events. The ministry operates within the government reporting entity, and does not finance all its expenditures by independently raising revenues. Accordingly, these consolidated financial statements do not report a net debt indicator.

Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount.

Included in accounts receivable, recorded as $147,173 (2013 - $152,515) in these financial statements, are fines of $91,089 (2013 - $90,395) that are subject to measurement uncertainty. Accounts receivable excludes certain outstanding federal statute and provincial statute fines that are expected to be satisfied by means other than cash payment. The other means include participation in the fine option program or time served in a correctional institution at the option of the person owing the fine. Outstanding fines expected to be satisfied by other means of $7,345 (2013 - $6,700) are based on the actual percentage satisfied in this manner from April 1, 2013 to March 31, 2014 and have been deducted from total outstanding fines. Changes in the proportion of fines satisfied by other means may have a material effect on future operating results.

The provision for doubtful accounts, recorded as $10,915 (2013 - $10,298) in these consolidated financial statements, is based on the actual percentage of fines written off from April 1, 2013 to March 31, 2014 and the assumption that the total receivable for Abandoned and Seized Vehicles as of March 31, 2014 will not be collected.

Tangible capital assets include a write-down of $22,200 that is subject to measurement uncertainty (Note 6). The Alberta Police Integrated Information Initiative (API3) was cancelled in March 2013. The asset was written down based on management's assessed value of the asset's remaining service potential to the department.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(c) Basis of Financial Reporting (Cont'd)

Measurement Uncertainty (Cont'd)

Accounts payable and accrued liabilities, recorded as $282,139 (2013 restated - $274,245) in these consolidated financial statements, is subject to measurement uncertainty. Accrued liabilities include an estimate of $53,655 (2013 - $54,045) for unsettled claims under the Motor Vehicle Accident Claims Program based on a calculated settlement value per claim. Changes to the settlement value may have a material effect on future operating results (Note 11). Accrued liabilities also include an estimate of $9,765 (2013 - $9,991) for financial benefits, $7,814 (2013 restated - $8,159) for supplemental financial benefits, and $9,961 (2013 restated - $9,673) for compensation claims under the Victims of Crime Fund (Note 12).

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of Cash and Cash Equivalents, Accounts Receivable, Advances, and Accounts Payable and Accrued Liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

(d) Change in Accounting Policy

Effective April 1, 2013, the Victims of Crime Fund changed its accounting policy to record a liability for compensation claims assumed from the former Crimes Compensation Board, which was dissolved in 1997, and supplemental financial benefits to provide a more appropriate presentation of events in the financial statements. This policy has been applied retroactively without restatement of operating results for 2012-13.

The opening balance of net assets as at April 1, 2012 has been adjusted to reflect this change in accounting policy. The impact is as follows:

Accounts Payable and Accrued Liabilities as at March 31, 2013

As previously reported	$ 256,413
Add liability for compensation claims and supplemental financial benefits	17,832
Restated	$ 274,245

Net Assets as at April 1, 2012

As previously reported	$ 73,000
Deduct liability for compensation claims and supplemental financial benefits	(17,832)
Restated Net Assets at April 1, 2012	55,168
Net Operating Results	(1,033,186)
Net Financing Provided from General Revenues	1,150,062
Restated Net Assets at March 31, 2013	$ 172,044

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(e) Future Accounting Changes

PS 3450 Financial Instruments
In June 2011 the Public Sector Accounting Board issued this accounting standard and subsequently extended the effective date to April 1, 2016 from April 1, 2015.

The department has not yet adopted this standard and has the option of adopting it in fiscal year 2016-17 or earlier. Adoption of this stand requires corresponding adoption of: PS 2601, Foreign Currency Translation; PS 1201, Financial Statement Presentation; and PS 3041, Portfolio Investments in the same fiscal period. These standards provide guidance on: recognition, measurement, and disclosure of financial instruments; standards on how to account for and report transactions that are denominated in a foreign currency; general reporting principles and standards for the disclosure of information in financial statements; and how to account for and report portfolio investments. Management is currently assessing the impact of these standards on the financial statements.

NOTE 3 DISCONTINUED PROGRAM
(in thousands)

Budget 2013 resulted in the elimination of the Safe Communities program, which was comprised of the Safe Communities Innovation Fund (SCIF) grant program and Safe Communities Secretariat. Obligations under existing SCIF grant agreements were accrued in 2013 and disbursed in 2014. Components of Safe Communities initiatives, such as the Gang Reduction Strategy and Crime Prevention Framework, were absorbed in the Public Security program.

NOTE 4 CASH AND CASH EQUIVALENTS

(in thousands)

Cash and Cash Equivalents consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed by the Ministry of Treasury Board and Finance with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2014, securities held by CCITF have a time weighted return of 1.17% (2013 – 1.25%) per annum.

NOTE 5 ACCOUNTS RECEIVABLE

(in thousands)

Accounts receivable are unsecured and non-interest bearing.

	2014				2013
	Gross Amount	Fine Option and Time Served	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Government of Canada	$ 33,426	$ -	$ -	$ 33,426	$ 34,457
Fines – Provincial	27,520	3,078	2,684	21,758	22,780
Fines – Federal	21,210	2,511	2,047	16,652	16,857
Ticket Processing	18,725	633	906	17,186	17,102
Surcharge	23,656	1,123	1,167	21,366	20,921
Fines – Late Payment Penalty	21,449	-	1,913	19,536	19,257
Other	19,447	-	2,198	17,249	21,141
	$ 165,433	$ 7,345	$ 10,915	$ 147,173	$ 152,515

NOTE 6 TANGIBLE CAPITAL ASSETS

(in thousands)

	Equipment[1]	Computer Hardware and Software[2]	Work in Progress[3]	Total
Estimated Useful Life	3 - 10 years	5 -10 years		
Historical Cost				
Beginning of year	$ 41,743	$ 130,603	$ 179,336	$ 351,682
Additions	3,023	2,609	50,358	55,990
Transfer-out	(164)	(261)	(119)	(544)
Disposals, Including Write-downs	(1,070)	(22,695)	-	(23,765)
	$ 43,532	$ 110,256	$ 229,575	$ 383,363
Accumulated Amortization				
Beginning of year	23,189	70,437	-	93,626
Amortization expense	2,743	14,342	-	17,085
Transfer-out	(6)	(52)	-	(58)
Effect of disposals	(1,062)	(439)	-	(1,501)
	24,864	84,288	-	109,152
Net Book Value at March 31, 2014	$ 18,668	$ 25,968	$ 229,575	$ 274,211
Net Book Value at March 31, 2013	$ 18,554	$ 60,166	$ 179,336	$ 258,056

(1) Equipment includes vehicles, office furnishings and other equipment.

(2) Computer Hardware and Software includes a write-down of $22,200 for the Alberta Police Integrated Information Initiative (API3) which was cancelled in March 2013. The asset was written down to reflect the value of the asset's remaining service potential to the ministry. A portion of API3, with a net book value of $209, was transferred (grant in kind) to select police agencies.

(3) Work in Progress totaling $229,575 is comprised of: Alberta First Responders Radio System (AFRRCS) $228,031; Future Application Systems Transformation (FAST) $1,269; and other general equipment $275.

NOTE 7 DEFERRED REVENUE

(in thousands)

Unearned revenue	2014	2013
Balance, beginning of year	$ 14,278	$ 23,333
Received/receivable during year	2,596	2,204
Less amounts recognized as revenue	11,229	11,259
Balance, end of year	$ 5,645	$ 14,278

In 2008-09, the ministry received $42,400 from the Government of Canada pursuant to their $400 million five-year initiative to recruit new police officers in provinces and territories under the Police Officers Recruitment Fund. In 2014, $9,025 (2013 - $9,025) was recorded as revenue for the purpose specified under the program leaving a balance of $3,049 (2013 - $12,074) at the end of the year.

Additionally, the end of year balance includes deferred revenue of $1,761 (2013 - $1,538) for motor vehicle accident claim fees collected pursuant to the *Motor Vehicle Accident Claims Act*, $783 (2013 - $647) for fees and licenses collected pursuant to the *Security Services and Investigators Act*, and $52 (2013 - $0) for the Forensic and DNA Research program.

NOTE 8 OVER EXPENDITURE OF AUTHORIZED SPENDING

(in thousands)

The ministry's total of actual voted expense exceeded the authorized voted expenses by $11,359 for the year ended March 31, 2014. As required by the *Financial Administration Act*, this amount must be charged against the voted appropriation for the year ending March 31, 2015.

NOTE 9 CONTINGENT LIABILITIES

(in thousands)

The ministry is involved in legal matters where damages are being sought. These matters may give rise to contingent liabilities.

Accruals have been made in specific instances where it is likely that losses will be incurred based on a reasonable estimate. As at March 31, 2014, accruals totaling $29 (2013: $68) have been recorded as a liability. The total amount claimed for all likely claims is $4,704 (2013: $6,661). The accrual provided for these claims represents the department's portion of the liability. Included in the total likely claims are claims covered in whole or in part by the Alberta Risk Management Fund. The resulting additional liability, if any, from likely claims in excess of the amounts accrued is not determinable.

The ministry has been named in one hundred and sixty six (2013: one hundred and thirty one) claims of which the outcome is not determinable. Of these claims, one hundred and forty one (2013: one hundred and twenty three) have specified amounts totaling $133,178 (2013: $95,180). The remaining twenty five (2013: eight) claims have no amounts specified. Included in the total claims, one hundred and forty five claims totaling $97,593 (2013: one hundred twenty four claims totaling $91,130) are covered in whole or in part by the Alberta Risk Management Fund. The resolution of indeterminable claims may result in a liability, if any, that may be significantly lower than the claimed amount.

NOTE 10 CONTRACTUAL OBLIGATIONS

(in thousands)

Contractual obligations are obligations of the ministry to others that will become liabilities in the future when the terms of those contracts or agreements are met.

As at March 31, 2014, the ministry has contractual obligations under operating leases, contracts, and programs totaling $1,119,638 (2013 restated - $1,071,377). This includes a commitment for the Provincial Police Service Agreement (PPSA) of $752,848 (2013 - $700,468). The PPSA with the Government of Canada is a contract for the Royal Canadian Mounted Police (RCMP) to provide policing services to small communities and rural areas in Alberta. Under the terms of the agreement, Alberta may terminate the agreement with a two year notice served on March 31 in any year.

Estimated payment requirements for each of the next five years and thereafter are as follows:

Obligations Under Operating Leases, Contracts and Programs

	Total
2014-15	$ 469,801
2015-16	340,306
2016-17	298,678
2017-18	10,131
2018-19	499
Thereafter	223
	$ 1,119,638

NOTE 11 MOTOR VEHICLE ACCIDENT CLAIMS PROGRAM

(in thousands)

Personal Injury Settlements

The Motor Vehicle Accident Claims Program is a publicly administered program that pays for judgments arising from motor vehicle accidents involving uninsured or unidentified vehicles in Alberta. The program operates under the authority of the *Motor Vehicle Accident Claims Act*. At March 31, 2014, there were one thousand one hundred and forty (2013 - one thousand two hundred and thirty) unsettled motor vehicle accident claims under this program amounting to $128,362 (2013 - $147,921). Of the unsettled claims, it was estimated that approximately $49,771 (2013 - $49,998) may arise from court ordered judgments and has been recorded as a liability.

The *Motor Vehicle Accident Claims Act* states that in order for claimants involved in motor vehicle accidents with uninsured or unidentified vehicles to be entitled to compensation, the Minister of Justice and Solicitor General must receive a court judgment. In accordance with the *Act*, liabilities for personal injury claims are accrued when a court ordered judgment is received. Accrued liabilities for motor vehicle accident claims amounting to $537 at March 31, 2014 (2013 - $574) are included in the total claim expenditures of $23,412 (2013 - $20,589) acquired to support the operations of the Motor Vehicle Accident Claims Program.

NOTE 11 MOTOR VEHICLE ACCIDENT CLAIMS PROGRAM (Cont'd)

(in thousands)

Supplementary Medical and Rehabilitation Expenses

The estimated liability for supplementary medical and rehabilitation expenses on approved applications filed up to March 31, 2014, is $3,884 (2013 - $4,046) and has been recorded as a liability. As at March 31, 2014, the maximum amount that may be payable to or on behalf of entitled applicants pursuant to the limits set in Section 17 of the *Motor Vehicle Accident Claims Act* was approximately $8,691 (2013 - $8,760).

NOTE 12 FINANCIAL BENEFITS

(in thousands)

As at March 31, 2014, there were one thousand five hundred and eleven (2013 – one thousand seven hundred and forty three) active applications for financial benefits with the Victims of Crime Financial Benefits Program.

As estimated liability of $9,765 (2013 - $9,991), subject to measurement uncertainty, was recorded based on historical decision patterns and average award values. Case progress at year end has been added as a factor in determining the liability estimate for the current year. Additional information may be required to determine eligibility and amount for individual cases under regulations of the *Victims of Crime Act*.

As at March 31, 2014, nineteen eligible recipients received a monthly payment of $1,000 (2013 - twenty eligible recipients) for supplemental benefits with the Victims of Crime Financial Benefits Program.

As estimated liability of $7,814 (2013 restated - $8,159), subject to measurement uncertainty, was recorded using a projection of monthly payments and statistical life expectancy figures. In addition, a present-value methodology has also been applied in determining this estimated liability. This methodology projects benefit cost streams into the future and discounts them to present-value using a discount rate which reflects the current return on assets used to fund the liability. The injuries of a recipient receiving a supplemental financial benefit must be reviewed every 12 months to determine whether the severity of injuries is still in accordance with regulations under the *Victims of Crime Act*.

As at March 31, 2014, thirty two eligible recipients received a monthly payment (2013 - thirty one) for compensation claims, assumed from the former Crimes Compensation Board, with the Victims of Crime Financial Benefits Program.

As estimated liability of $9,961 (2013 restated - $9,673), subject to measurement uncertainty, was recorded using a projection of monthly payments and statistical life expectancy figures. The same present-value methodology described above for supplemental benefits has been used to determine this estimated liability. The payments are subject to periodic review to confirm continued eligibility for entitlements and/or adjustment to the monthly amount.

NOTE 13 TRUST FUNDS UNDER ADMINISTRATION

(in thousands)

The ministry administers trust funds that are regulated funds consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the funds and administers them for the purpose of various trusts, they are not included in the ministry's financial statements.

As at March 31, 2014 trust funds under administration were as follows:

	2014	2013
Various Court Offices and Fines Distribution Trust[1]	$ 126,484	$ 122,441
Maintenance Enforcement Trust[2]	11,149	9,858
Solicitors Trust[3]	7,074	3,813
Institutional Trust[4]	886	711
	$ 145,593	$ 136,823

(1) The various court offices receive and disburse payments for fines, bail and other payments involving civil litigants. Trust fund receipts exceeded trust fund disbursements in 2014 by $4,043 (2013 - $5,101).

(2) The Maintenance Enforcement Program receives and disburses court ordered maintenance and child support. Trust fund receipts exceeded trust fund disbursements in 2014 by $1,291 (2013 - trust fund disbursements exceeded trust fund receipts by $50).

(3) The Solicitors Trust is comprised of civil law funds held in trust and monies collected under the *Victims Restitution and Compensation Payment Act*. Total funds held in trust at March 31, 2014 included $198 (2013 - $196) of civil law funds and $6,876 (2013 - $3,617) of *Victims Restitution and Compensation Payment Act* funds. Trust fund receipts exceeded trust fund disbursements in 2014 by $3,261 (2013 - $299).

(4) Institutional Trust receives and disburses inmate funds used for their personal needs, as well as inmate welfare funds derived from various sources, that are administered on their behalf. As at March 31, 2014, the amount of the trust funds held under administration was $886 (2013 - $711) which was comprised of inmate trust funds of $439 (2013 - $346) and inmate welfare fund equity of $447 (2013 - $365).

NOTE 14 PAYMENTS UNDER AGREEMENT

(in thousands)

The ministry has entered into agreements to deliver programs and services that are fully funded by the Government of Northwest Territories (GNWT), the Government of Nunavut (GN), and the Government of Canada (GC). Costs under these agreements are incurred by the ministry under authority in Section 25 of the *Financial Administration Act*. Accounts receivable includes $20 (2013 - $64) from the GNWT, $5 (2013 - $25) from the GN and $109 (2013 - $89) from the GC relating to payments under agreement.

The agreements with the GNWT and the GN are for services provided by the Medical Examiner's Office. Services include examination of remains, medico-legal autopsy, toxicology analysis, and expert testimony in court or at a coroner's inquest.

The agreement with the GC is for enhanced French language training in order to prepare Alberta Provincial Court judges to sit on the Itinerant Francophone Provincial Court Bench.

Amounts paid and payable under agreements with program sponsors are as follows:

	2014	2013
Medical Examiner Services – GNWT	$ 126	$ 114
Medical Examiner Services – GN	34	30
Enhanced French Language Training – GC	195	176
	$ 355	$ 320

The ministry has also entered into an agreement to disburse the provincial share of net forfeitures from proceeds of crime on behalf of the Department of Justice Canada (Justice Canada). Proceeds received from Justice Canada under this agreement are in accordance with Section 10 of the *Federal Seized Property Management Act* resulting from the investigation efforts by law enforcement agencies in Alberta.

Disbursements to law enforcement agencies and crime and drug prevention organizations under this agreement are made by the department under authority in Section 25 of the *Financial Administration Act*. Only the amounts received from Justice Canada and not disbursed are reflected in these financial statements. For the year ended March 31, 2014, amounts payable to law enforcement agencies and crime and drug prevention organizations under this agreement are $1,524 (2013 - $849) and are reflected in the Statement of Financial Position.

NOTE 15 BENEFIT PLANS

(in thousands)

The ministry participates in the multi-employer pension plans: Management Employees Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $69,705 for the year ended March 31, 2014 (2013 - $62,514). Ministries are not responsible for future funding of the plan deficit other than through contribution increases.

At December 31, 2013, the Management Employees Pension Plan reported a surplus of $50,457 (2012 – deficiency $303,423), the Public Service Pension Plan reported a deficiency of $1,254,678 (2012 – deficiency $1,645,141) and the Supplementary Retirement Plan for Public Service Managers reported a deficiency of $12,384 (2012 – deficiency $51,870).

The ministry participates in the Provincial Judges and Masters in Chambers Pension Plan. The expenses for this pension plan are $10,378 for the year ended March 31, 2014 (2013 - $14,904).

The ministry also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2014, the Bargaining Unit Plan reported an actuarial surplus of $75,200 (2013 – surplus $51,717) and the Management, Opted Out and Excluded Plan an actuarial surplus of $24,055 (2013 – surplus $18,327). The expense for these two plans is limited to the employer's annual contributions for the year.

NOTE 16 COMPARATIVE FIGURES

Certain 2013 figures have been reclassified to conform to the 2014 presentation.

NOTE 17 APPROVAL OF CONSOLIDATED FINANCIAL STATMENTS

The consolidated financial statements were approved by the Senior Financial Officer and Deputy Minister.

MINISTRY OF JUSTICE AND SOLICITOR GENERAL **Schedule 1**
SCHEDULE TO CONSOLIDATED FINANCIAL STATEMENTS
REVENUES
Year ended March 31, 2014

	2014		2013
	Constructed Budget	Actual	Actual
	(in thousands)		
Government Transfers			
Federal Government Grants			
Youth Justice Program	$ 15,551	$ 14,328	$ 18,374
Legal Aid	10,808	10,946	10,807
Other	15,641	15,937	15,313
	42,000	41,211	44,494
Premiums, Fees and Licenses			
Motor Vehicle Accident Claims Fees	22,615	21,902	20,914
Court Fees	14,580	14,442	14,268
Security Services and Investigator Fees	1,827	1,405	1,201
Other	592	660	650
	39,614	38,409	37,033
Investment Income	987	1,131	931
Other Revenue			
Fines	76,000	79,093	80,291
Surcharges	29,500	32,666	32,438
Fines – Late Payment Penalty	20,000	25,494	23,242
Maintenance Enforcement Program	15,126	15,990	15,641
Recoveries for Enhanced Policing Services	8,841	7,853	8,091
Motor Vehicle Accident Recoveries	7,715	7,286	7,153
Miscellaneous	6,532	10,948	8,512
	163,714	179,330	175,368
Total Revenues	$ 246,315	$ 260,081	$ 257,826

MINISTRY OF JUSTICE AND SOLICITOR GENERAL **Schedule 2**
SCHEDULE TO CONSOLIDATED FINANCIAL STATEMENTS
CREDIT OR RECOVERY
Year ended March 31, 2014

	2014				
	Authorized	Actual (2) Revenue Recognized	Deferred Revenue	Actual Cash/ Donation Received	(Shortfall)/ Excess
	(in thousands)				
Maintenance Enforcement[3]	$ 5,971	$ 6,176	$ -	$ 6,176	$ 205
Provincial Civil Claims[4]	1,200	1,030	-	1,030	(170)
Ticket Processing[5]	36,000	34,741	-	34,741	(1,259)
Edmonton Regional Airport Authority[6]	3,020	2,750	-	2,750	(270)
	$ 46,191	$ 44,697	$ -	$ 44,697	$ (1,494) (1)

(1) Shortfall is deducted from current year's authorized spending.

(2) The revenue of each credit or recovery is included in the Consolidated Statement of Operations and Schedule 1.

(3) Maintenance Enforcement revenues represent deterrent penalties and service fees to promote timely payment of maintenance to improve and expand services available for clients.

(4) Provincial Civil Claims revenues represent funding from fees levied to commence action in excess of seven thousand five hundred dollars in Provincial Court. These revenues are dedicated towards the costs of processing these claims.

(5) Ticket Processing revenues represent the Province's share of *Traffic Safety Act* ticket revenue used to fund expenses incurred in processing and handling violation tickets issued under the *Traffic Safety Act*

(6) Edmonton Regional Airport Authority revenues are received on a full cost recovery basis from the Edmonton Regional Airport Authority for policing services provided to the Edmonton International Airport under the Provincial Police Service Agreement.

MINISTRY OF JUSTICE AND SOLICITOR GENERAL
SCHEDULE TO CONSOLIDATED FINANCIAL STATEMENTS
EXPENSES – DIRECTLY INCURRED DETAILED BY OBJECT
Year ended March 31, 2014

Schedule 3

	2014		2013
	Budget	Actual	Actual
	(in thousands)		
Salaries, Wages and Employee Benefits	$ 662,973	$ 681,241	$ 641,876
Supplies and Services	372,353	357,271	373,943
Grants	194,078	204,173	230,547
Financial Transactions and Other	23,637	49,124	23,948
Amortization of Tangible Capital Assets	25,352	17,085	20,698
	$ 1,278,393	$ 1,308,894	$ 1,291,012

MINISTRY OF JUSTICE AND SOLICITOR GENERAL
SCHEDULE TO CONSOLIDATED FINANCIAL STATEMENTS
BUDGET RECONCILIATION
Year ended March 31, 2014

Schedule 4

	2013-14 Estimate	Adjustments to Conform to Accounting Policy	2013-14 Constructed Budget
		(in thousands)	
Revenues			
Government Transfers			
Federal Government Grants	$ 42,000	$ -	$ 42,000
Premiums, Fees and Licenses	39,614	-	39,614
Investment Income	987	-	987
Other Revenue	163,714	-	163,714
	246,315	-	246,315
Expenses – Directly Incurred			
Programs			
Ministry Support Services	58,955	-	58,955
Court Services	199,199	-	199,199
Legal Services	52,671	-	52,671
Criminal Justice	90,965	-	90,965
Support for Legal Aid	58,810	-	58,810
Justice Services	38,464	-	38,464
Public Security	475,549	-	475,549
Correctional Services	241,987	-	241,987
Alberta Human Rights	8,264	-	8,264
Motor Vehicle Accident Claims	23,687	-	23,687
Victims of Crime Fund	29,842	-	29,842
	1,278,393	-	1,278,393
Net Operating Results	$ (1,032,078)	$ -	$ (1,032,078)
Capital Spending	$ 87,437	$ -	$ 87,437

MINISTRY OF JUSTICE AND SOLICITOR GENERAL **Schedule 5**
SCHEDULE TO CONSOLIDATED FINANCIAL STATEMENTS
RELATED PARTY TRANSACTIONS
Year ended March 31, 2014
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements. Related parties also include management in the ministry.

The ministry and its employees paid or collected certain taxes and fees set by regulation for premiums, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The ministry had the following transactions with related parties recorded on the Consolidated Statement of Operations and the Consolidated Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Other Entities	
	2014	2013
Revenues		
Ministry of Energy	$ 116	$ 221
Expenses – Directly Incurred		
Service Alberta	$ 14,237	$ 13,748
Grants	38	1,621
Other Services	21	19
	$ 14,296	$ 15,388
Receivable from	$ 2,231	$ 1,786
Payable to	$ 17	$ 1,529
Contractual Obligations	$ 791	$ -

The ministry also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the consolidated financial statements but are disclosed in Schedule 6.

	Other Entities	
	2014	2013 (Restated)
Revenues		
Legal Services	$ 39,862	$ 37,658
Expenses – Indirectly Incurred		
Accommodation	$ 150,678	$ 132,379
Service Alberta	22,222	19,447
Other Services	344	481
	$ 173,244	$ 152,307

MINISTRY OF JUSTICE AND SOLICITOR GENERAL
SCHEDULE TO CONSOLIDATED FINANCIAL STATEMENTS
ALLOCATED COSTS
Year Ended March 31, 2014
(in thousands)

Schedule 6

	2014				2013
		Expenses - Incurred by Others			
Program	Expenses[1]	Accommodation Costs[2]	Service Alberta and Other Services	Total Expenses	Total Expenses (Restated)
Ministry Support Services	$ 57,466	$ 4,790	$ 22,566	$ 84,822	$ 87,099
Court Services	209,049	59,397	-	268,446	269,972
Legal Services	52,460	2,831	-	55,291	52,853
Criminal Justice	90,001	7,394	-	97,395	94,925
Safe Communities	-	-	-	-	17,016
Support for Legal Aid	58,810	135	-	58,945	65,941
Justice Services	37,584	4,056	-	41,640	39,095
Public Security	486,123	6,373	-	492,496	470,726
Correctional Services	256,085	64,015	-	320,100	281,671
Alberta Human Rights	8,090	765	-	8,855	8,720
Motor Vehicle Accident Claims	23,412	579	-	23,991	21,149
Victims of Crime Fund	29,814	343	-	30,157	34,152
	$ 1,308,894	$ 150,678	$ 22,566	$ 1,482,138	$ 1,443,319

(1) Expenses – Directly Incurred as per Consolidated Statement of Operations.

(2) Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 5, allocated by square meters or square meters and manpower.

Department of Justice and Solicitor General

Financial Statements
March 31, 2014

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL

Financial Statements

Year Ended March 31, 2014

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 - Revenues

Schedule 2 - Credit or Recovery

Schedule 3 - Expenses - Directly Incurred Detailed by Object

Schedule 4 - Budget Reconciliation

Schedule 5 - Lapse/Encumbrance

Schedule 6 - Lottery Fund Estimates

Schedule 7 - Salary and Benefits Disclosure

Schedule 8 - Related Party Transactions

Schedule 9 - Allocated Costs

Independent Auditor's Report

To the Members of the Legislative Assembly

Report on the Financial Statements

I have audited the accompanying financial statements of the Department of Justice and Solicitor General, which comprise the statement of financial position as at March 31, 2014, and the statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Department of Justice and Solicitor General as at March 31, 2014, and the results of its operations and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, FCA]

Auditor General

May 26, 2014

Edmonton, Alberta

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL
STATEMENT OF OPERATIONS
Year ended March 31, 2014

	2014		2013
	Constructed Budget (Schedule 4)	Actual	Actual
	(in thousands)		
Revenues (Schedule 1)			
Government Transfers			
Federal Government Grants	$ 41,755	$ 40,765	$ 44,102
Premiums, Fees and Licenses	39,539	38,383	36,994
Investment Income	320	558	384
Other Revenue	134,204	146,431	142,612
	215,818	226,137	224,092
Expenses – Directly Incurred (Note 2(b) and Schedule 9)			
Program (Schedules 3, 5 and Notes 3 and 8)			
Ministry Support Services	58,955	57,467	62,539
Court Services	199,199	209,049	212,527
Legal Services	52,671	52,460	50,115
Criminal Justice	90,965	90,001	87,774
Safe Communities	-	-	16,690
Support for Legal Aid	58,810	58,810	65,810
Justice Services	38,464	37,584	35,172
Public Security	475,549	486,123	464,889
Correctional Services	241,987	256,085	233,107
Alberta Human Rights	8,012	8,213	7,907
Motor Vehicle Accident Claims	23,687	23,412	20,589
	1,248,299	1,279,204	1,257,119
Net Operating Results	$ (1,032,481)	$ (1,053,067)	$ (1,033,027)

The accompanying notes and schedules are part of these financial statements.

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL
STATEMENT OF FINANCIAL POSITION
As at March 31, 2014

	2014	2013
	(in thousands)	
Assets		
Cash and Cash Equivalents (Note 4)	$ 9,456	$ 5,916
Accounts Receivable (Note 5)	125,510	131,358
Advances	37	44
Tangible Capital Assets (Note 6)	274,187	258,039
	$ 409,190	$ 395,357
Liabilities		
Accounts Payable and Accrued Liabilities	$ 251,313	$ 245,070
Deferred Revenue (Note 7)	5,645	14,259
	$ 256,958	$ 259,329
Net Assets		
Net Assets at Beginning of Year	136,028	18,995
Net Operating Results	(1,053,067)	(1,033,027)
Net Financing Provided from General Revenues	1,069,271	1,150,060
Net Assets at End of Year	152,232	136,028
	$ 409,190	$ 395,357

Contingent Liabilities and Contractual Obligations (Notes 9 and 10)

The accompanying notes and schedules are part of these financial statements.

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL
STATEMENT OF CASH FLOWS
Year ended March 31, 2014

	2014	2013
	(in thousands)	
Operating Transactions		
Net Operating Results	$ (1,053,067)	$ (1,033,027)
Non-cash items included in Net Operating Results		
Amortization	17,075	20,689
Grants in Kind	209	-
Unearned Revenue recognized as Revenue	(11,210)	(11,259)
Loss on Write Down of Tangible Capital Assets	22,200	-
Loss on Disposal of Tangible Capital Assets	64	15
	(1,024,729)	(1,023,582)
Decrease (Increase) in Accounts Receivable	5,848	(23,285)
Increase in Accounts Payable and Accrued Liabilities	6,243	11,294
Unearned Revenue received/receivable	2,596	2,185
Cash Applied to Operating Transactions	(1,010,042)	(1,033,388)
Capital Transactions		
Acquisition of Tangible Capital Assets	(55,973)	(112,292)
Transfer of Tangible Capital Assets from Other Ministries	-	(7,874)
Transfer of Tangible Capital Assets to Other Ministries	277	177
Cash Applied to Capital Transactions	(55,696)	(119,989)
Investing Transactions		
Decrease in Advances	7	6
Cash Provided by Investing Transactions	7	6
Financing Transactions		
Net Financing Provided from General Revenues	1,069,271	1,150,060
Cash Provided by Financing Transactions	1,069,271	1,150,060
Increase (Decrease) in Cash and Cash Equivalents	3,540	(3,311)
Cash and Cash Equivalents at Beginning of Year	5,916	9,227
Cash and Cash Equivalents at End of Year	$ 9,456	$ 5,916

The accompanying notes and schedules are part of these financial statements.

NOTE 1 AUTHORITY AND PURPOSE

The Department of Justice and Solicitor General operates under the authority of the *Government Organization Act*, Chapter G-10, Revised Statutes of Alberta 2000.

The Department's purpose is to serve Albertans by promoting safe and secure communities through effective law enforcement, security and correctional services, by ensuring access to the courts and other methods of dispute resolution, by providing legal and related strategic services to the Government of Alberta, by protecting human rights, promoting fairness and access, and supporting the inclusion of all Albertans and by communicating with Albertans about the administration of justice.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

(a) Reporting Entity

The reporting entity is the Department of Justice and Solicitor General, which is part of the Ministry of Justice and Solicitor General and for which the Minister of Justice and Solicitor General is accountable. These financial statements include the activities of the Motor Vehicle Accident Claims program (a statutory appropriation). Other entities reporting to the minister are the Human Rights Education and Multiculturalism Fund (a provincial agency) and the Victims of Crime Fund (a regulated fund).The activities of these organizations are not included in these financial statements. The ministry annual report provides a more comprehensive accounting of the financial position and results of the ministry's operations for which the minister is accountable.

All departments of the Government of Alberta operate within the General Revenue Fund (the Fund). The Fund is administered by the President of Treasury Board and Minister of Finance. All cash receipts of departments are deposited into the Fund and all cash disbursements made by departments are paid from the Fund. Net Financing provided from General Revenues is the difference between all cash receipts and all cash disbursements made.

(b) Basis of Financial Reporting

Revenue accounting policy
All revenues are reported on the accrual basis of accounting except for payments on Motor Vehicle Accident Claims judgment debts and Maintenance Enforcement fees, penalties and subrogated revenues, which are recorded when received. Revenues for Motor Vehicle Accident Claims fees are reported when the service has been rendered. Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Government transfers
Transfers from the Government of Alberta, federal and other governments are referred to as government transfers.

Government transfers are recorded as deferred revenue if the terms of the transfer, or the stipulations together with the department's actions and communications as to the use of transfers create a liability.

All other government transfers, without terms for the use of the transfer, are recorded as revenue when the department is eligible to receive the funds.

Credit or Recovery
Credit or Recovery initiatives provide a basis for authorizing spending. Credits or Recoveries are shown in the details of the Government Estimates for a supply vote. If budgeted revenues are not fully realized, spending is reduced by an equivalent amount. If actual Credit or Recovery amounts exceed budget, the department may, with the approval of the Treasury Board Committee, use the excess to fund additional expenses of the program. Schedule 2 discloses information on the department's Credit or Recovery Initiatives.

Expenses
Directly Incurred
Directly incurred expenses are those costs the department has primary responsibility and accountability for, as reflected in the government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets,
- pension costs, which are the cost of employer contributions for current service of employees during the year, and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, banked overtime, guarantees and indemnities.

Grants are recognized as expenses when authorized, eligibility criteria and conditions, if any, are met and a reasonable estimate of the amounts can be made.

Incurred by Others
Services contributed by other entities in support of the department's operations are not recognized and are disclosed in Schedule 8 and allocated to programs in Schedule 9.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Assets
Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the department are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Assets acquired by right are not included.

Tangible capital assets of the department are recorded at historical cost and amortized on a straight-line basis over the estimated useful lives of the assets. The threshold for capitalizing new systems development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000.

Amortization is only charged if the tangible capital asset is in use.

When physical assets are gifted (tangible capital assets), the net book value of these physical assets are recorded as grants in kind.

Liabilities
Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Net Assets/Net Liabilities
Net Assets/Net Liabilities represent the difference between the carrying value of assets held by the department and its liabilities.

Canadian Public Sector Accounting Standards require a "net debt" presentation for the statement of financial position in the summary financial statements of governments. Net debt presentation reports the difference between financial assets and liabilities as "net debt" or "net financial assets" as an indicator of the future revenues required to pay for past transactions and events. The department operates within the government reporting entity, and does not finance all its expenditures by independently raising revenues. Accordingly, these financial statements do not report a net debt indicator.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a variance between the recognized or disclosed amount and another reasonably possible amount. Included in accounts receivable, recorded as $125,510 in these financial statements, are fines of $67,433 (2013 - $67,564) that are subject to measurement uncertainty. Accounts receivable excludes certain outstanding federal statute and provincial statute fines that are expected to be satisfied by means other than cash payment. The other means include participation in the fine option program or time served in a correctional institution at the option of the person owing the fine. Outstanding fines expected to be satisfied by other means of $6,222 (2013 - $5,908) are based on the actual percentage satisfied in this manner from April 1, 2013 to March 31, 2014 and have been deducted from total outstanding fines. Changes in the proportion of fines satisfied by other means may have a material effect on future operating results.

The provision for doubtful accounts, recorded as $9,748 (2013 - $9,180) in these financial statements, is based on the actual percentage of fines written off from April 1, 2013 to March 31, 2014 and the assumption that the total receivable for Abandoned and Seized Vehicles as of March 31, 2014 will not be collected.

Tangible capital assets include a write-down of $22,200 that is subject to measurement uncertainty (Note 6). The Alberta Police Integrated Information Initiative (APIII) was cancelled in March 2013. The asset was written down based on management's assessed value of the asset's remaining service potential to the department.

Accounts payable and accrued liabilities, recorded as $251,313 (2013 - $245,070) in these financial statements, is subject to measurement uncertainty. Accrued liabilities include an estimate of $53,655 (2013 - $54,045) for unsettled claims under the Motor Vehicle Accident Claims Program based on a calculated settlement value per claim. Changes to the settlement value may have a material effect on future operating results (Note 11).

Valuation of Financial Assets and Liabilities
Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of Cash and Cash Equivalents, Accounts Receivable, Advances, and Accounts Payable and Accrued Liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(c) Future Accounting Changes

PS 3450 Financial Instruments
In June 2011 the Public Sector Accounting Board issued this accounting standard and subsequently extended the effective date to April 1, 2016 from April 1, 2015.

The department has not yet adopted this standard and has the option of adopting it in fiscal year 2016-17 or earlier. Adoption of this stand requires corresponding adoption of: PS 2601, Foreign Currency Translation; PS 1201, Financial Statement Presentation; and PS 3041, Portfolio Investments in the same fiscal period. These standards provide guidance on: recognition, measurement, and disclosure of financial instruments; standards on how to account for and report transactions that are denominated in a foreign currency; general reporting principles and standards for the disclosure of information in financial statements; and how to account for and report portfolio investments. Management is currently assessing the impact of these standards on the financial statements.

NOTE 3 DISCONTINUED PROGRAM
(in thousands)

Budget 2013 resulted in the elimination of the Safe Communities program, which was comprised of the Safe Communities Innovation Fund (SCIF) grant program and Safe Communities Secretariat. Obligations under existing SCIF grant agreements were accrued in 2013 and disbursed in 2014. Components of Safe Communities initiatives, such as the Gang Reduction Strategy and Crime Prevention Framework, were absorbed in the Public Security program.

NOTE 4 CASH AND CASH EQUIVALENTS

(in thousands)

Cash and Cash Equivalents consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed by the Ministry of Treasury Board and Finance with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2014, securities held by CCITF have a time weighted return of 1.17% (2013 – 1.25%) per annum.

NOTE 5 ACCOUNTS RECEIVABLE

(in thousands)

Accounts receivable are unsecured and non-interest bearing.

	2014				2013
	Gross Amount	Fine Option and Time Served	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Government of Canada	$ 33,131	$ -	$ -	$ 33,131	$ 34,226
Fines – Provincial	27,520	3,078	2,684	21,758	22,780
Fines – Federal	21,210	2,511	2,047	16,652	16,857
Ticket Processing	18,725	633	906	17,186	17,102
Fines – Late Payment Penalty	21,449	-	1,913	19,536	19,257
Other	19,445	-	2,198	17,247	21,136
	$ 141,480	$ 6,222	$ 9,748	$ 125,510	$ 131,358

NOTE 6 TANGIBLE CAPITAL ASSETS

(in thousands)

	Equipment[1]	Computer Hardware and Software[2]	Work in Progress[3]	Total
Estimated Useful Life	3 - 10 years	5 -10 years		
Historical Cost				
Beginning of year	$ 41,743	$ 129,874	$ 179,336	$ 350,953
Additions	3,006	2,609	50,358	55,973
Transfer-out	(164)	(261)	(119)	(544)
Disposals, Including Write-downs	(1,070)	(22,695)	-	(23,765)
	$ 43,515	$ 109,527	$ 229,575	$ 382,617
Accumulated Amortization				
Beginning of year	23,189	69,725	-	92,914
Amortization expense	2,742	14,333	-	17,075
Transfer-out	(6)	(52)	-	(58)
Effect of disposals	(1,062)	(439)	-	(1,501)
	24,863	83,567	-	108,430
Net Book Value at March 31, 2014	$ 18,652	$ 25,960	$ 229,575	$ 274,187
Net Book Value at March 31, 2013	$ 18,554	$ 60,149	$ 179,336	$ 258,039

(1) Equipment includes vehicles, office furnishings and other equipment.

(2) Computer Hardware and Software includes a write-down of $22,200 for the Alberta Police Integrated Information Initiative (API3) which was cancelled in March 2013. The asset was written down to reflect the value of the asset's remaining service potential to the department. A portion of API3, with a net book value of $209, was transferred (grant in kind) to select police agencies.

(3) Work in Progress totaling $229,575 is comprised of: Alberta First Responders Radio System (AFRRCS) $228,031; Future Application Systems Transformation (FAST) $1,269; and other general equipment $275.

NOTE 7 DEFERRED REVENUE

(in thousands)

Unearned revenue	2014	2013
Balance, beginning of year	$ 14,259	$ 23,333
Received/receivable during year	2,596	2,185
Less amounts recognized as revenue	11,210	11,259
Balance, end of year	$ 5,645	$ 14,259

In 2008-09, the department received $42,400 from the Government of Canada pursuant to their $400 million five-year initiative to recruit new police officers in provinces and territories under the Police Officers Recruitment Fund. In 2014, $9,025 (2013 - $9,025) was recorded as revenue for the purpose specified under the program leaving a balance of $3,049 (2013 - $12,074) at the end of the year.

Additionally, the end of year balance includes deferred revenue of $1,761 (2013 - $1,538) for motor vehicle accident claim fees collected pursuant to the *Motor Vehicle Accident Claims Act*, $783 (2013 - $647) for fees and licenses collected pursuant to the *Security Services and Investigators Act*, and $52 (2013 - $0) for the Forensic and DNA Research program.

NOTE 8 OVER EXPENDITURE OF AUTHORIZED SPENDING

(in thousands)

The department's total of actual voted expense exceeded the authorized voted expenses by $11,359 for the year ended March 31, 2014. As required by the *Financial Administration Act*, this amount must be charged against the voted appropriation for the year ending March 31, 2015. See Schedule 5 to the financial statements.

NOTE 9 CONTINGENT LIABILITIES

(in thousands)

The department is involved in legal matters where damages are being sought. These matters may give rise to contingent liabilities.

Accruals have been made in specific instances where it is likely that losses will be incurred based on a reasonable estimate. As at March 31, 2014, accruals totaling $29 (2013: $68) have been recorded as a liability. The total amount claimed for all likely claims is $4,704 (2013: $6,661). The accrual provided for these claims represents the department's portion of the liability. Included in the total likely claims are claims covered in whole or in part by the Alberta Risk Management Fund. The resulting additional liability, if any, from likely claims in excess of the amounts accrued is not determinable.

The department has been named in one hundred and sixty six (2013: one hundred and thirty one) claims of which the outcome is not determinable. Of these claims, one hundred and forty one (2013: one hundred and twenty three) have specified amounts totaling $133,178 (2013: $95,180). The remaining twenty five (2013: eight) claims have no amounts specified. Included in the total claims, one hundred and forty five claims totaling $97,593 (2013: one hundred twenty four claims totaling $91,130) are covered in whole or in part by the Alberta Risk Management Fund. The resolution of indeterminable claims may result in a liability, if any, that may be significantly lower than the claimed amount.

NOTE 10 CONTRACTUAL OBLIGATIONS

(in thousands)

Contractual obligations are obligations of the department to others that will become liabilities in the future when the terms of those contracts or agreements are met.

As at March 31, 2014, the department has contractual obligations under operating leases, contracts, and programs totaling $1,106,373 (2013 - $1,059,093). This includes a commitment for the Provincial Police Service Agreement (PPSA) of $752,848 (2013 - $700,468). The PPSA with the Government of Canada is a contract for the Royal Canadian Mounted Police (RCMP) to provide policing services to small communities and rural areas in Alberta. Under the terms of the agreement, Alberta may terminate the agreement with a two year notice served on March 31 in any year.

Estimated payment requirements for each of the next five years and thereafter are as follows:

Obligations Under Operating Leases, Contracts and Programs

	Total
2014-15	$ 461,656
2015-16	336,287
2016-17	297,577
2017-18	10,131
2018-19	499
Thereafter	223
	$ 1,106,373

NOTE 11 MOTOR VEHICLE ACCIDENT CLAIMS PROGRAM

(in thousands)

Personal Injury Settlements

The Motor Vehicle Accident Claims Program is a publicly administered program that pays for judgments arising from motor vehicle accidents involving uninsured or unidentified vehicles in Alberta. The program operates under the authority of the *Motor Vehicle Accident Claims Act*. At March 31, 2014, there were one thousand one hundred and forty (2013 - one thousand two hundred and thirty) unsettled motor vehicle accident claims under this program amounting to $128,362 (2013 - $147,921). Of the unsettled claims, it was estimated that approximately $49,771 (2013 - $49,998) may arise from court ordered judgments and has been recorded as a liability.

The *Motor Vehicle Accident Claims Act* states that in order for claimants involved in motor vehicle accidents with uninsured or unidentified vehicles to be entitled to compensation, the Minister of Justice and Solicitor General must receive a court judgment. In accordance with the *Act*, liabilities for personal injury claims are accrued when a court ordered judgment is received. Accrued liabilities for motor vehicle accident claims amounting to $537 at March 31, 2014 (2013 - $574) are included in the total claim expenditures of $23,412 (2013 - $20,589) acquired to support the operations of the Motor Vehicle Accident Claims Program.

NOTE 11 MOTOR VEHICLE ACCIDENT CLAIMS PROGRAM (Cont'd)

(in thousands)

Supplementary Medical and Rehabilitation Expenses

The estimated liability for supplementary medical and rehabilitation expenses on approved applications filed up to March 31, 2014, is $3,884 (2013 - $4,046) and has been recorded as a liability. As at March 31, 2014, the maximum amount that may be payable to or on behalf of entitled applicants pursuant to the limits set in Section 17 of the *Motor Vehicle Accident Claims Act* was approximately $8,691 (2013 - $8,760).

NOTE 12 TRUST FUNDS UNDER ADMINISTRATION

(in thousands)

The department administers trust funds that are regulated funds consisting of public money over which the Legislature has no power of appropriation. Because the Province has no equity in the funds and administers them for the purpose of various trusts, they are not included in the department's financial statements.

As at March 31, 2014 trust funds under administration were as follows:

	2014	2013
Various Court Offices and Fines Distribution Trust[1]	$ 126,484	$ 122,441
Maintenance Enforcement Trust[2]	11,149	9,858
Solicitors Trust[3]	7,074	3,813
Institutional Trust[4]	886	711
	$ 145,593	$ 136,823

(1) The various court offices receive and disburse payments for fines, bail and other payments involving civil litigants. Trust fund receipts exceeded trust fund disbursements in 2014 by $4,043 (2013 - $5,101).

(2) The Maintenance Enforcement Program receives and disburses court ordered maintenance and child support. Trust fund receipts exceeded trust fund disbursements in 2014 by $1,291 (2013 - trust fund disbursements exceeded trust fund receipts by $50).

(3) The Solicitors Trust is comprised of civil law funds held in trust and monies collected under the *Victims Restitution and Compensation Payment Act*. Total funds held in trust at March 31, 2014 included $198 (2013 - $196) of civil law funds and $6,876 (2013 - $3,617) of *Victims Restitution and Compensation Payment Act* funds. Trust fund receipts exceeded trust fund disbursements in 2014 by $3,261 (2013 - $299).

(4) Institutional Trust receives and disburses inmate funds used for their personal needs, as well as inmate welfare funds derived from various sources, that are administered on their behalf. As at March 31, 2014, the amount of the trust funds held under administration was $886 (2013 - $711) which was comprised of inmate trust funds of $439 (2013 - $346) and inmate welfare fund equity of $447 (2013 - $365).

NOTE 13 PAYMENTS UNDER AGREEMENT

(in thousands)

The department has entered into agreements to deliver programs and services that are fully funded by the Government of Northwest Territories (GNWT), the Government of Nunavut (GN), and the Government of Canada (GC). Costs under these agreements are incurred by the department under authority in Section 25 of the *Financial Administration Act*. Accounts receivable includes $20 (2013 - $64) from the GNWT, $5 (2013 - $25) from the GN and $109 (2013 - $89) from the GC relating to payments under agreement.

The agreements with the GNWT and the GN are for services provided by the Medical Examiner's Office. Services include examination of remains, medico-legal autopsy, toxicology analysis, and expert testimony in court or at a coroner's inquest.

The agreement with the GC is for enhanced French language training in order to prepare Alberta Provincial Court judges to sit on the Itinerant Francophone Provincial Court Bench.

Amounts paid and payable under agreements with program sponsors are as follows:

	2014	2013
Medical Examiner Services – GNWT	$ 126	$ 114
Medical Examiner Services – GN	34	30
Enhanced French Language Training – GC	195	176
	$ 355	$ 320

The department has also entered into an agreement to disburse the provincial share of net forfeitures from proceeds of crime on behalf of the Department of Justice Canada (Justice Canada). Proceeds received from Justice Canada under this agreement are in accordance with Section 10 of the *Federal Seized Property Management Act* resulting from the investigation efforts by law enforcement agencies in Alberta.

Disbursements to law enforcement agencies and crime and drug prevention organizations under this agreement are made by the department under authority in Section 25 of the *Financial Administration Act*. Only the amounts received from Justice Canada and not disbursed are reflected in these financial statements. For the year ended March 31, 2014, amounts payable to law enforcement agencies and crime and drug prevention organizations under this agreement are $1,524 (2013 - $849) and are reflected in the Statement of Financial Position.

NOTE 14 BENEFIT PLANS

(in thousands)

The department participates in the multi-employer pension plans: Management Employees Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $69,304 for the year ended March 31, 2014 (2013 - $62,166). Departments are not responsible for future funding of the plan deficit other than through contribution increases.

At December 31, 2013, the Management Employees Pension Plan reported a surplus of $50,457 (2012 – deficiency $303,423), the Public Service Pension Plan reported a deficiency of $1,254,678 (2012 – deficiency $1,645,141) and the Supplementary Retirement Plan for Public Service Managers reported a deficiency of $12,384 (2012 – deficiency $51,870).

The department participates in the Provincial Judges and Masters in Chambers Pension Plan. The expenses for this pension plan are $10,378 for the year ended March 31, 2014 (2013 - $14,904).

The department also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2014, the Bargaining Unit Plan reported an actuarial surplus of $75,200 (2013 – surplus $51,717) and the Management, Opted Out and Excluded Plan an actuarial surplus of $24,055 (2013 – surplus $18,327). The expense for these two plans is limited to the employer's annual contributions for the year.

NOTE 15 COMPARATIVE FIGURES

Certain 2013 figures have been reclassified to conform to the 2014 presentation.

NOTE 16 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Senior Financial Officer and Deputy Minister.

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL
SCHEDULE TO FINANCIAL STATEMENTS
REVENUES
Year ended March 31, 2014

Schedule 1

	2014		2013
	Constructed Budget	Actual	Actual
		(in thousands)	
Government Transfers			
Federal Government Grants			
Youth Justice Program	$ 15,551	$ 14,328	$ 18,374
Legal Aid	10,808	10,946	10,807
Other	15,396	15,491	14,921
	41,755	40,765	44,102
Premiums, Fees and Licenses			
Motor Vehicle Accident Claims Fees	22,615	21,902	20,914
Court Fees	14,580	14,442	14,268
Security Services and Investigator Fees	1,827	1,405	1,201
Other	517	634	611
	39,539	38,383	36,994
Investment Income	320	558	384
Other Revenue			
Fines	76,000	79,093	80,291
Fines - Late Payment Penalty	20,000	25,494	23,242
Maintenance Enforcement Program	15,126	15,990	15,641
Recoveries for Enhanced Policing Services	8,841	7,853	8,091
Motor Vehicle Accident Recoveries	7,715	7,286	7,153
Miscellaneous	6,522	10,715	8,194
	134,204	146,431	142,612
Total Revenues	$ 215,818	$ 226,137	$ 224,092

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL
SCHEDULE TO FINANCIAL STATEMENTS
CREDIT OR RECOVERY
Year ended March 31, 2014

Schedule 2

	2014				
	Authorized	Actual (2) Revenue Recognized	Deferred Revenue	Actual Cash/ Donation Received	(Shortfall)/ Excess
	(in thousands)				
Maintenance Enforcement[3]	$ 5,971	$ 6,176	$ -	$ 6,176	$ 205
Provincial Civil Claims[4]	1,200	1,030	-	1,030	(170)
Ticket Processing[5]	36,000	34,741	-	34,741	(1,259)
Edmonton Regional Airport Authority[6]	3,020	2,750	-	2,750	(270)
	$ 46,191	$ 44,697	$ -	$ 44,697	$ (1,494) (1)

(1) Shortfall is deducted from current year's authorized spending, as disclosed in Schedule 5 to the financial statements.

(2) The revenue of each credit or recovery is included in the Statement of Operations and Schedule 1.

(3) Maintenance Enforcement revenues represent deterrent penalties and service fees to promote timely payment of maintenance to improve and expand services available for clients.

(4) Provincial Civil Claims revenues represent funding from fees levied to commence action in excess of seven thousand five hundred dollars in Provincial Court. These revenues are dedicated towards the costs of processing these claims.

(5) Ticket Processing revenues represent the Province's share of *Traffic Safety Act* ticket revenue used to fund expenses incurred in processing and handling violation tickets issued under the *Traffic Safety Act*

(6) Edmonton Regional Airport Authority revenues are received on a full cost recovery basis from the Edmonton Regional Airport Authority for policing services provided to the Edmonton International Airport under the Provincial Police Service Agreement.

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL **Schedule 3**
SCHEDULE TO FINANCIAL STATEMENTS
EXPENSES – DIRECTLY INCURRED DETAILED BY OBJECT
Year ended March 31, 2014

	2014		2013
	Constructed Budget	Actual	Actual
		(in thousands)	
Salaries, Wages and Employee Benefits	$ 659,641	$ 677,878	$ 638,652
Supplies and Services	370,717	356,341	372,671
Grants	169,686	179,176	201,638
Amortization of Tangible Capital Assets	25,343	17,075	20,889
Financial Transactions and Other	23,537	49,359	24,094
Total Expenses before Recoveries	1,248,924	1,279,829	1,257,744
Less Recovery from Support Service Arrangement with Related Party[1]	(625)	(625)	(625)
	$ 1,248,299	$ 1,279,204	$ 1,257,119

(1) The department provides financial and administrative services to the Human Rights Education and Multiculturalism Fund. Costs incurred by the department for these services were recovered from the Human Rights Education and Multiculturalism Fund.

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL
SCHEDULE TO FINANCIAL STATEMENTS
BUDGET RECONCILIATION
Year ended March 31, 2014

Schedule 4

	2013-14 Estimate	Adjustments to Conform to Accounting Policy	2013-14 Constructed Budget
		(in thousands)	
Revenues			
Government Transfers			
Federal Government Grants	$ 41,755	$ -	$ 41,755
Premiums, Fees and Licenses	39,539	-	39,539
Investment Income	320	-	320
Other Revenue	134,204	-	134,204
	215,818	-	215,818
Expenses – Directly Incurred			
Programs			
Ministry Support Services	58,955	-	58,955
Court Services	199,199	-	199,199
Legal Services	52,671	-	52,671
Criminal Justice	90,965	-	90,965
Support for Legal Aid	58,810	-	58,810
Justice Services	38,464	-	38,464
Public Security	475,549	-	475,549
Correctional Services	241,987	-	241,987
Alberta Human Rights	8,012	-	8,012
Motor Vehicle Accident Claims	23,687	-	23,687
	1,248,299	-	1,248,299
Net Operating Results	$ (1,032,481)	$ -	$ (1,032,481)
Capital Spending	$ 87,412	$ -	$ 87,412

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL
SCHEDULE TO FINANCIAL STATEMENTS
LAPSE/ENCUMBRANCE
Year ended March 31, 2014

Schedule 5

		Voted Estimate[1]	Adjustments[2]	Adjusted Voted Estimate	Voted Actuals[3]	Unexpended (Over Expended)
			(in thousands)			
Program – Operational						
1	**Ministry Support Services**					
1.1	Minister's Office	$ 805	$ -	$ 805	$ 796	$ 9
1.2	Office of the Deputy Minister of Justice	649	-	649	640	9
1.3	Office of the Deputy Solicitor General	649	-	649	649	-
1.4	Communications	1,175	-	1,175	1,164	11
1.5	Corporate Services	12,731	614	13,345	11,701	1,644
1.6	Human Resources	7,857	-	7,857	7,983	(126)
1.7	Technology and Business Services	30,492	(614)	29,878	27,746	2,132
		$ 54,358	$ -	$ 54,358	$ 50,679	$ 3,679
2	**Court Services**					
2.1	Program Support	10,495	3,494	13,989	17,428	(3,439)
2.2	Access to Justice	13,728	(86)	13,642	14,659	(1,017)
2.3	Ticket Processing	33,000	3,000	36,000	33,050	2,950
2.4	Provincial Civil Claims	1,200	-	1,200	2,145	(945)
2.5	Provincial Court of Alberta	88,854	(4,415)	84,439	84,980	(541)
2.6	Alberta Court of Queens Bench	26,618	592	27,210	28,905	(1,695)
2.7	Alberta Court of Appeal	6,680	230	6,910	6,718	192
2.8	Family Justice Services	7,989	185	8,174	9,315	(1,141)
		$ 188,564	$ 3,000	$ 191,564	$ 197,200	$ (5,636)
3	**Legal Services**					
3.1	Civil Law	49,692	-	49,692	48,822	870
3.2	Legislative Counsel	2,695	-	2,695	2,675	20
3.3	Law Reform	200	-	200	400	(200)
		$ 52,587	$ -	$ 52,587	$ 51,897	$ 690
4	**Criminal Justice**					
4.1	Program Support	$ 6,223	$ -	$ 6,223	$ 6,013	$ 210
4.2	Appeals and Prosecution Policy	7,728	-	7,728	7,173	555
4.3	General Prosecutions	67,052	-	67,052	65,557	1,495
4.4	Specialized Prosecutions	9,818	-	9,818	10,602	(784)
		$ 90,821	$ -	$ 90,821	$ 89,345	$ 1,476

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL
SCHEDULE TO FINANCIAL STATEMENTS
LAPSE/ENCUMBRANCE
Year ended March 31, 2014

		Voted Estimate[1]	Adjustments[2]	Adjusted Voted Estimate	Voted Actuals[3]	Unexpended (Over Expended)
			(in thousands)			
5	**Safe Communities**					
5.1	Secretariat	$ -	$ -	$ -	$ -	$ -
5.2	Innovation Fund	-	-	-	-	-
		$ -	$ -	$ -	$ -	$ -
6	**Support for Legal Aid**	$ 58,810	$ -	$ 58,810	$ 58,810	$ -
7	**Justice Services**					
7.1	Program Support	$ 3,294	$ -	$ 3,294	$ 3,051	$ 243
7.2	Maintenance Enforcement	20,689	-	20,689	21,118	(429)
7.3	Medical Examiner	12,373	-	12,373	11,217	1,156
7.4	Property Rights Advocate Office	500	-	500	430	70
		$ 36,856	$ -	$ 36,856	$ 35,816	$ 1,040
8	**Public Security**					
8.1	Program Support Services	$ 607	$ -	$ 607	$ 548	$ 59
8.2	Law Enforcement Review Board	799	-	799	643	156
8.3	Alberta Serious Incident Response Team	3,108	-	3,108	3,171	(63)
8.4	Alberta Police Integrated Information Initiative	-	-	-	-	-
8.5	Policy and Program Development	3,787	-	3,787	4,323	(536)
8.6	Law Enforcement Standards and Audits	3,076	-	3,076	2,681	395
8.7	Contract Policing and Policing Oversight	226,499	(1,564)	224,935	218,680	6,255
8.8	First Nations Policing	12,117	-	12,117	10,787	1,330
8.9	Policing Assistance to Municipalities	75,936	-	75,936	76,605	(669)
8.10	Organized and Serious Crime	32,033	-	32,033	38,797	(6,764)
8.11	Sheriffs Protection Services	11,181	-	11,181	10,208	973
8.12	Sheriffs Court Security and Prisoner Transport	37,751	-	37,751	38,796	(1,045)
8.13	Traffic Sheriffs	13,822	1,564	15,386	13,858	1,528
8.14	Fish and Wildlife Enforcement	21,491	-	21,491	21,386	105
8.15	Commercial Vehicle Enforcement	17,332	-	17,332	15,543	1,789
8.16	Parks Conservation Enforcement	2,726	-	2,726	3,241	(515)
8.17	Alberta First Responders Radio Communication System	-	-	-	46	(46)
		$ 462,265	$ -	$ 462,265	$ 459,313	$ 2,952

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL
SCHEDULE TO FINANCIAL STATEMENTS
LAPSE/ENCUMBRANCE
Year ended March 31, 2014

Schedule 5 (Cont'd)

		Voted Estimate[1]	Adjustments[2]	Adjusted Voted Estimate	Actuals[3]	Unexpended (Over Expended)
			(in thousands)			
9	**Correctional Services**					
9.1	Program Support Services	$ 2,457	$ -	$ 2,457	$ 2,708	$ (251)
9.2	Adult Remand and Correctional Centres	166,703	-	166,703	175,405	(8,702)
9.3	Young Offender Centres	19,216	-	19,216	22,173	(2,957)
9.4	Adult Community Correctional Services	41,535	-	41,535	44,308	(2,773)
9.5	Young Offender Community Correctional Services	11,347	-	11,347	10,601	746
		$ 241,258	$ -	$ 241,258	$ 255,195	$ (13,937)
10	**Alberta Human Rights**					
10.1	Alberta Human Rights Commission	$ 6,272	$ -	$ 6,272	$ 6,401	$ (129)
	and Multiculturalism Fund	1,735	-	1,735	1,735	-
		$ 8,007	$ -	$ 8,007	$ 8,136	$ (129)
	Credit or Recovery (Shortfall) (Schedule 2)	$ -	$ (1,494)	$ (1,494)	$ -	$ (1,494)
Total		**$ 1,193,526**	**$ 1,506**	**$ 1,195,032**	**$ 1,206,391**	**$ (11,359)**
Lapse/(Encumbrance)						**$ (11,359)**

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL
SCHEDULE TO FINANCIAL STATEMENTS
LAPSE/ENCUMBRANCE
Year ended March 31, 2014

Schedule 5 (Cont'd)

		Voted Estimate[1]	Adjustments[2]	Adjusted Voted Estimate	Actuals[3]	Unexpended (Over Expended)
				(in thousands)		
Program – Capital						
1	Ministry Support Services	$ 1,510	$ 4,124	$ 5,634	$ 1,949	$ 3,685
2	Court Services	1,000	-	1,000	1,219	(219)
3	Legal Services	100	-	100	77	23
4	Criminal Justice	20	-	20	-	20
7	Justice Services	750	-	750	951	(201)
8	Public Security	83,862	(2,295)	81,567	51,557	30,010
9	Correctional Services	150	-	150	189	(39)
10	Alberta Human Rights	20	-	20	22	(2)
Total		$ 87,412	$ 1,829	$ 89,241	$ 55,964	$ 33,277
Lapse/(Encumbrance)						**$ 33,277**

(1) As per "Operational Vote by Program" and "Voted Capital Vote by Program" of 2013-14 Government Estimates.

(2) Adjustments include capital carry over amounts and credit or recovery increases approved by Treasury Board. Treasury Board approval is pursuant to sections 24 and 28.1 of the *Financial Administration Act*.

(3) Actuals exclude non-voted amounts such as amortization and valuation adjustments.

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL **Schedule 6**
SCHEDULE TO FINANCIAL STATEMENTS
LOTTERY FUND ESTIMATES
Year ended March 31, 2014
(in thousands)

	2013-14 Lottery Fund Estimates	2013-14 Actual	Unexpended (Over Expended)
		(in thousands)	
Alberta Human Rights	$ 1,735	$ 1,735	$ -

The revenue of the Lottery Fund was transferred to the Department of Treasury Board and Finance on behalf of the General Revenue Fund in 2012-13. Having been transferred to the General Revenue Fund, these monies then become part of the department's supply vote. This table shows details of the initiatives within the department that are funded by Lottery Fund and compares it to the actual results.

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL **Schedule 7**
SCHEDULE TO FINANCIAL STATEMENTS
SALARY AND BENEFITS DISCLOSURE
Year ended March 31, 2014

	2014				2013
	Base Salary[1]	Other Cash Benefits[2]	Other Non-Cash Benefits[3]	Total	Total (Restated)
			(in thousands)		
Senior Officials:					
Deputy Minister of Justice and Solicitor General[4][5]	$ 370	$ 21	$ 91	$ 482	$ 633
Deputy Attorney General and Associate Deputy Minister Justice and Solicitor General[4][6]	127	2	45	174	-
Chief of the Commission and Tribunals, Alberta Human Rights Commission	229	10	3	242	240
Executives:					
Assistant Deputy Ministers					
Finance and Planning[8]	171	2	43	216	222
Information Management and Technology Services	192	2	57	251	249
Court Services	192	2	65	259	259
Prosecution Services	204	2	63	269	266
Legal Services[8]	202	24	63	289	267
Justice Services	192	2	57	251	238
Safe Communities[9]	37	-	10	47	249
Public Security[7]	192	2	59	253	638
Correctional Services[7]	178	4	52	234	246

(1) Base salary includes regular salary and earnings such as acting pay.

(2) Other cash benefits include vacation payouts, lump sum payments and severance. There were no bonuses paid in 2014.

(3) Other non-cash benefits include the government's share of all employee benefits and contributions or payments made on behalf of employees including pension, supplementary retirement plans, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships and tuition fees and Health Spending Account.

(4) Automobile provided, no dollar amount included in other non-cash benefits.

(5) The department had two Deputy Ministers, a Deputy Minister of Justice and a Deputy Solicitor General from April 1, 2013 to August 5, 2013. Effective August 6, 2013, the two Deputy Minister positions were consolidated into one Deputy Minister of Justice and Solicitor General.

(6) New position created October 12, 2013.

(7) The position was occupied by two individuals at different times during the year.

(8) The position was occupied by three individuals at different times during the year.

(9) Program discontinued April 1, 2013.

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL **Schedule 8**
SCHEDULE TO FINANCIAL STATEMENTS
RELATED PARTY TRANSACTIONS
Year ended March 31, 2014
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements. Related parties also include management in the department.

The department and its employees paid or collected certain taxes and fees set by regulation for premiums, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The department had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2014	2013	2014	2013
Revenues				
Ministry of Energy	$ -	$ -	$ 116	$ 221
Expenses – Directly Incurred				
Service Alberta	$ -	$ -	$ 14,231	$ 13,744
Grants	1,735	1,700	-	1,621
Other Services	-	6	21	19
	$ 1,735	$ 1,706	$ 14,252	$ 15,384
Receivable from	$ -	$ -	$ 2,231	$ 1,786
Payable to	$ -	$ 1,239	$ -	$ 1,246
Contractual Obligations	$ -	$ -	$ 791	$ -

The department also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 9.

	Entities in the Ministry		Other Entities	
	2014	2013	2014	2013 (Restated)
Revenues				
Legal Services	$ 4	$ 17	$ 39,862	$ 37,658
Expenses – Indirectly Incurred				
Accommodation	$ -	$ -	150,266	$ 131,980
Service Alberta	-	-	22,222	19,447
Other Services	-	-	344	481
	$ -	$ -	$ 172,832	$ 151,908

DEPARTMENT OF JUSTICE AND SOLICITOR GENERAL **Schedule 9**
SCHEDULE TO FINANCIAL STATEMENTS
ALLOCATED COSTS
Year Ended March 31, 2014
(in thousands)

	2014				2013
		Expenses – Incurred by Others			
Program	Expenses[1]	Accommodation Costs[2]	Service Alberta and Other Services	Total Expenses	Total Expenses
Ministry Support Services	$ 57,467	$ 4,790	$ 22,566	$ 84,823	$ 87,099
Court Services	209,049	59,397	-	268,446	269,972
Legal Services	52,460	2,831	-	55,291	52,853
Criminal Justice	90,001	7,394	-	97,395	94,925
Safe Communities	-	-	-	-	17,016
Support for Legal Aid	58,810	135	-	58,945	65,941
Justice Services	37,584	4,056	-	41,640	39,095
Public Security	486,123	6,373	-	492,496	470,726
Correctional Services	256,085	64,015	-	320,100	281,671
Alberta Human Rights	8,213	696	-	8,909	8,580
Motor Vehicle Accident Claims	23,412	579	-	23,991	21,149
	$ 1,279,204	$ 150,266	$ 22,566	$ 1,452,036	$ 1,409,027

(1) Expenses – Directly Incurred as per Statement of Operations.

(2) Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 8, allocated by square meters.

Human Rights Education and Multiculturalism Fund

Financial Statements
March 31, 2014

HUMAN RIGHTS EDUCATION AND MULTICULTURALISM FUND

Financial Statements

Year Ended March 31, 2014

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 - Expenses – Directly Incurred Detailed by Object

Schedule 2 - Related Party Transactions

Schedule 3 - Allocated Costs

Independent Auditor's Report

AUDITOR GENERAL *Alberta*

To the Members of the Legislative Assembly

Report on the Financial Statements

I have audited the accompanying financial statements of the Human Rights Education and Multiculturalism Fund, which comprise the statement of financial position as at March 31, 2014, and the statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Human Rights and Multiculturalism Fund as at March 31, 2014, and the results of its operations, its remeasurement gains and losses and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, FCA]

Auditor General

May 26, 2014

Edmonton, Alberta

HUMAN RIGHTS EDUCATION AND MULTICULTURALISM FUND
STATEMENT OF OPERATIONS
Year ended March 31, 2014

	2014 Budget	2014 Actual	2013 Actual
		(in thousands)	
Revenues			
Internal Government Transfer			
Department of Justice and Solicitor General	$ 1,735	$ 1,735	$ 1,700
Premiums, Fees and Licenses	75	27	42
Investment Income	167	48	50
Other Revenue	10	15	-
	1,987	1,825	1,792
Expenses – Directly Incurred (Note 2(b) and Schedule 3)			
Program (Schedule 1)			
Support to Community Groups	1,277	1,175	1,229
Education Programs	655	437	519
Administration	55	-	30
	1,987	1,612	1,778
Net Operating Results	$ -	$ 213	$ 14

The accompanying notes and schedules are part of these financial statements.

HUMAN RIGHTS EDUCATION AND MULTICULTURALISM FUND
STATEMENT OF FINANCIAL POSITION
As at March 31, 2014

	2014	2013
	(in thousands)	
Assets		
Cash and Cash Equivalents (Note 3)	$ 3,374	$ 3,230
Accounts Receivable (Note 4)	-	5
Tangible Capital Assets (Note 5)	16	-
	$ 3,390	$ 3,235
Liabilities		
Accounts Payable and Accrued Liabilities	$ 25	$ 80
Deferred Revenue	-	3
	$ 25	$ 83
Net Assets		
Net Assets at Beginning of Year	3,152	3,138
Net Operating Results	213	14
Net Assets at End of Year	3,365	3,152
	$ 3,390	$ 3,235

Contractual Obligations (Note 6)

The accompanying notes and schedules are part of these financial statements.

HUMAN RIGHTS EDUCATION AND MULTICULTURALISM FUND
STATEMENT OF CASH FLOWS
Year ended March 31, 2014

	2014	2013
	(in thousands)	
Operating Transactions		
Net Operating Results	$ 213	$ 14
Non-cash Items Included in Net Operating Results		
Amortization	1	-
Unearned Revenue recognized as Revenue	(3)	-
	211	14
Decrease in Accounts Receivable	5	-
Decrease in Accounts Payable and Accrued Liabilities	(55)	(140)
Unearned Revenue received/receivable	-	3
Cash Applied to Operating Transactions	161	(123)
Capital Transactions		
Acquisition of Tangible Capital Assets	(17)	-
Cash Applied to Capital Transactions	(17)	-
Increase (Decrease) in Cash and Cash Equivalents	144	(123)
Cash and Cash Equivalents at Beginning of Year	3,230	3,353
Cash and Cash Equivalents at End of Year	$ 3,374	$ 3,230

The accompanying notes and schedules are part of these financial statements.

HUMAN RIGHTS EDUCATION AND MULTICULTURALISM FUND
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2014

NOTE 1 AUTHORITY AND PURPOSE

The Human Rights Education and Multiculturalism Fund (the fund) operates under the authority of the *Alberta Human Rights Act*, Chapter A-25.5, Revised Statutes of Alberta 2000.

The purpose of the fund is to promote equality, increase understanding and acceptance of Alberta's diverse racial and cultural composition, and inform Albertans about their rights and responsibilities under the *Alberta Human Rights Act*.

The fund is owned by the Crown in Right of Alberta and as such has a tax exempt status.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

(a) Reporting Entity

The reporting entity is the Human Rights Education and Multiculturalism Fund, which is part of the Ministry of Justice and Solicitor General and for which the Minister of Justice and Solicitor General is accountable. Other entities reporting to the minister are the Department of Justice and Solicitor General and the Victims of Crime Fund. The activities of these organizations are not included in these financial statements. The ministry annual report provides a more comprehensive accounting of the financial position and results of the ministry's operations for which the minister is accountable.

(b) Basis of Financial Reporting

Revenue accounting policy
All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Donations are recognized as revenues when they are received. Donations of materials and services that would otherwise have been purchased are recorded at fair value at the date of donation when fair value can reasonably be determined.

Government Transfers
Transfers from the Government of Alberta, federal and other governments are referred to as government transfers.

Government transfers are recorded as deferred revenue if the terms of the transfer, or the stipulations together with the fund's actions and communications as to use of transfers create a liability.

All other government transfers, without terms for the use of the transfer, are recorded as revenue when the fund is eligible to receive the funds.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Expenses

Directly Incurred

Directly incurred expenses are those costs the fund has primary responsibility and accountability for, as reflected in the government's budget documents.

In addition to program operating expenses such as supplies, etc., directly incurred expenses also include amortization of tangible capital assets.

Grants are recorded as expenses when authorized, eligibility criteria and conditions, if any, are met and a reasonable estimate of the amounts can be made.

Incurred by Others

Services contributed by other entities in support of the fund's operations are not recognized and are disclosed in Schedule 2 and allocated to programs in Schedule 3.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the fund are limited to financial claims, such as advances to and receivables from other organizations and individuals.

Assets acquired by right are not included.

Tangible capital assets of the fund are recorded at historical cost and amortized on a straight-line basis over the estimate useful life of the assets. The threshold for capitalizing tangible capital assets is $5,000.

Amortization is only charged if the tangible capital asset is in use.

Liabilities

Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Net Assets/Net Liabilities

Net Assets/Net Liabilities represent the difference between the carrying value of assets held by the fund and its liabilities.

Canadian Public Sector Accounting Standards require a "net debt" presentation for the statement of financial position in the summary financial statements of governments. Net debt presentation reports the difference between financial assets and liabilities as "net debt" or "net financial assets" as an indicator of future revenues required to pay for past transactions and events. The fund operates within the government reporting entity, and does not finance all its expenditures by independently raising revenues. Accordingly, these financial statements do not report a net debt indicator.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Valuation of Financial Assets and Liabilities
Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of Cash and Cash Equivalents, Accounts Receivable, and Accounts Payable and Accrued Liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

NOTE 3 CASH AND CASH EQUIVALENTS
(in thousands)

Cash and Cash Equivalents consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed by the Ministry of Treasury Board and Finance with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2014, securities held by CCITF have a time weighted return of 1.17% (2013 - 1.25%) per annum.

NOTE 4 ACCOUNTS RECEIVABLE
(in thousands)

Accounts receivable are unsecured and non-interest bearing.

	2014			2013
	Gross Amount	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Accounts Receivable	$ -	$ -	$ -	$ 5

NOTE 5 TANGIBLE CAPITAL ASSETS

(in thousands)

	Equipment
Estimated Useful Life	10 years
Historical Cost	
Beginning of year	$ -
Additions	17
	$ 17
Accumulated Amortization	
Beginning of year	-
Amortization expense	1
	1
Net Book Value at March 31, 2014	$ 16
Net Book Value at March 31, 2013	$ -

NOTE 6 CONTRACTUAL OBLIGATIONS

(in thousands)

Contractual obligations are obligations of the fund to others that will become liabilities in the future when the terms of those contracts or agreements are met.

As at March 31, 2014, the fund has obligations under contracts and programs totalling $163 (2013 - $80).

Estimated payment requirements for each of the next two years are as follows:

Obligations Under Operating Leases, Contracts and Programs

	Total
2014-15	$ 82
2015-16	81
	$ 163

NOTE 7 APPROVAL OF FINANCIAL STATMENTS

The financial statements were approved by the Senior Financial Officer and the Deputy Minister.

HUMAN RIGHTS EDUCATION AND MULTICULTURALISM FUND **Schedule 1**
SCHEDULE TO FINANCIAL STATEMENTS
EXPENSES – DIRECTLY INCURRED DETAILED BY OBJECT
Year ended March 31, 2014

	2014		2013
	Budget	Actual	Actual
	(in thousands)		
Supplies and Services	$ 310	$ 90	$ 138
Supplies and Services from Support Service Arrangements with Related Parties [1]	625	625	625
Grants	1,052	895	1,014
Amortization	-	1	-
Financial Transactions and Other	-	1	1
	$ 1,987	$ 1,612	$ 1,778

[1] The fund receives financial and administrative services from the Department of Justice and Solicitor General.

HUMAN RIGHTS EDUCATION AND MULTICULTURALISM FUND **Schedule 2**
SCHEDULE TO FINANCIAL STATEMENTS
RELATED PARTY TRANSACTIONS
Year ended March 31, 2014
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements.

The fund paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The fund had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between related parties:

	Entities in the Ministry	
	2014	2013
Revenues		
Transfer from the Department of Justice and Solicitor General	$ 1,735	$ 1,700
Premiums, Fees and Licences	-	3
	$ 1,735	$ 1,703
Deferred Revenue	$ -	$ 3

	Other Entities	
	2014	2013
Expenses		
Grants	$ 38	$ -
Service Alberta	2	-
	$ 40	$ -
Payable to Alberta Government department	$ 7	$ 7

The above transactions do not include support service arrangement transactions disclosed in Schedule 1.

The fund also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 3.

	Other Entities	
	2014	2013
Expenses - Incurred by Others		
Accommodation	$ 69	$ 67
	$ 69	$ 67

HUMAN RIGHTS EDUCATION AND MULTICULTURALISM FUND **Schedule 3**
SCHEDULE TO FINANCIAL STATEMENTS
ALLOCATED COSTS
Year ended March 31, 2014
(in thousands)

	2014			2013
		Expenses – Incurred by Others		
Program	Expenses [1]	Accommodation Costs[2]	Total Expenses	Total Expenses
Support to Community Groups	$ 1,175	$ 50	$ 1,225	$ 1,252
Education Programs	437	19	456	551
Administration	-	-	-	42
	$ 1,612	$ 69	$ 1,681	$ 1,845

[1] Expenses – Directly Incurred as per Statement of Operations.

[2] Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 2, allocated by square meters.

Victims of Crime Fund

Financial Statements
March 31, 2014

VICTIMS OF CRIME FUND

Financial Statements

Year Ended March 31, 2014

Independent Auditor's Report

Statement of Operations

Statement of Financial Position

Statement of Cash Flows

Notes to the Financial Statements

Schedule 1 - Expenses – Directly Incurred Detailed by Object

Schedule 2 - Related Party Transactions

Schedule 3 - Allocated Costs

Independent Auditor's Report

To the Members of the Legislative Assembly

Report on the Financial Statements

I have audited the accompanying financial statements of the Victims of Crime Fund, which comprise the statement of financial position as at March 31, 2014, and the statements of operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Canadian generally accepted auditing standards. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of the Victims of Crime Fund as at March 31, 2014, and the results of its operations, its remeasurement gains and losses and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

[Original signed by Merwan N. Saher, FCA]

Auditor General

May 26, 2014

Edmonton, Alberta

VICTIMS OF CRIME FUND
STATEMENT OF OPERATIONS
Year ended March 31, 2014

	2014		2013
	Budget	Actual	Actual
	(in thousands)		
Revenues			
Government Transfers			
Federal Government Grants	$ 245	$ 446	$ 391
Investment Income	500	525	497
Other Revenue			
Federal Surcharge	1,400	1,995	1,721
Provincial Fine Surcharge	28,100	30,671	30,718
Expenditure Refunds	-	218	318
	30,245	33,855	33,645
Expenses – Directly Incurred (Note 2(b) and Schedule 3)			
Program (Schedule 1)			
Financial Benefits	15,722	14,193	18,817
Assistance to Victims' Organizations	12,913	14,617	13,960
Criminal Injuries Review Board	456	441	489
Program Support Services	751	563	554
	29,842	29,814	33,820
Net Operating Results	$ 403	$ 4,041	$ (175)

The accompanying notes and schedules are part of these financial statements.

VICTIMS OF CRIME FUND
STATEMENT OF FINANCIAL POSITION
As at March 31, 2014

	2014	2013 (Restated Note 2 (c))
	(in thousands)	
Assets		
Cash and Cash Equivalents (Note 3)	$ 46,033	$ 40,806
Accounts Receivable (Note 4)	21,663	22,390
Tangible Capital Assets (Note 5)	8	17
	$ 67,704	$ 63,213
Liabilities		
Accounts Payable and Accrued Liabilities	$ 30,802	$ 30,333
Deferred Revenue (Note 6)	-	19
	$ 30,802	$ 30,352
Net Assets		
Net Assets at Beginning of Year	32,861	33,036
Net Operating Results	4,041	(175)
Net Assets at End of Year	36,902	32,861
	$ 67,704	$ 63,213

Contractual obligations (Note 7)

The accompanying notes and schedules are part of these financial statements.

VICTIMS OF CRIME FUND
STATEMENT OF CASH FLOWS
Year ended March 31, 2014

	2014	2013
	(in thousands)	
Operating Transactions		
Net Operating Results	$ 4,041	$ (175)
Non-Cash Items Included in Net Operating Results		
Amortization	9	8
Unearned revenue recognized as Revenue	(89)	(11)
	3,961	(178)
Decrease (Increase) in Accounts Receivable	727	(2,297)
Increase in Accounts Payable and Accrued Liabilities	469	3,356
Unearned revenue received/receivable	70	30
Cash Provided by Operating Transactions	5,227	911
Increase in Cash and Cash Equivalents	5,227	911
Cash and Cash Equivalents at Beginning of Year	40,806	39,895
Cash and Cash Equivalents at End of Year	$ 46,033	$ 40,806

The accompanying notes and schedules are part of these financial statements.

VICTIMS OF CRIME FUND
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2014

NOTE 1 AUTHORITY AND PURPOSE

The Victims of Crime Fund (the fund) operates under the authority of the *Victims of Crime Act*, Chapter V-3, Revised Statutes of Alberta 2000.

The purpose of the fund is to provide grants to victims' programs and to pay benefits to victims, or their dependants, who suffer injury or death as the result of a criminal offence specified in the regulations of the *Victims of Crime Act*, using provincial and federal surcharge revenues.

The fund is owned by the Crown in Right of Alberta and as such has a tax exempt status.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

(a) Reporting Entity

The reporting entity is the Victims of Crime Fund, which is part of the Ministry of Justice and Solicitor General and for which the Minister of Justice and Solicitor General is accountable. Other entities reporting to the minister are the Department of Justice and Solicitor General and the Human Rights Education and Multiculturalism Fund. The activities of these organizations are not included in these financial statements. The ministry annual report provides a more comprehensive accounting of the financial position and results of the ministry's operations for which the minister is accountable.

(b) Basis of Financial Reporting

Revenue accounting policy
All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recorded as deferred revenue.

Government Transfers
Transfers from the Government of Alberta, federal and other governments are referred to as government transfers.

Government transfers are recorded as deferred revenue if the terms of the transfer, or the stipulations together with the fund's actions and communications as to the use of the transfers create a liability.

All other government transfers, without terms for the use of the transfer, are recorded as revenue when the fund is eligible to receive the funds.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(c) Basis of Financial Reporting (Cont'd)

Expenses

Directly Incurred

Directly incurred expenses are those costs the fund has primary responsibility and accountability for, as reflected in the government's budget documents.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- amortization of tangible capital assets,
- pension costs, which are the cost of employer contributions for current service of employees during the year, and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

Grants are recorded as expenses when authorized, eligibility criteria and conditions, if any, are met and a reasonable estimate of the amounts can be made.

Incurred by Others

Services contributed by other entities in support of the fund's operations are not recognized and are disclosed in Schedule 2 and allocated to programs in Schedule 3.

Assets

Financial assets are assets that could be used to discharge existing liabilities or finance future operations and are not for consumption in the normal course of operations. Financial assets of the fund are limited to financial claims, such as advances to and receivables from other organizations, employees and other individuals.

Assets acquired by right are not included.

Tangible capital assets of the fund are recorded at historical cost and amortized on a straight-line basis over the estimate useful life of the assets. The threshold for capitalizing new system development is $250,000 and the threshold for major systems enhancements is $100,000. The threshold for all other tangible capital assets is $5,000.

Amortization is only charged if the tangible capital asset is in use.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Liabilities
Liabilities are recorded to the extent that they represent present obligations as a result of events and transactions occurring prior to the end of the fiscal year. The settlement of liabilities will result in sacrifice of economic benefits in the future.

Net Assets/Net Liabilities
Net Assets/Net Liabilities represent the difference between the carrying value of assets held by the fund and its liabilities.

Canadian Public Sector Accounting Standards require a "net debt" presentation for the statement of financial position in the summary financial statements of governments. Net debt presentation reports the difference between financial assets and liabilities as "net debt" or "net financial assets" as an indicator of future revenues required to pay for past transactions and events. The fund operates within the government reporting entity, and does not finance all its expenditures by independently raising revenues. Accordingly, these financial statements do not report a net debt indicator.

Measurement Uncertainty
(in thousands)

Measurement uncertainty exists when there is a variance between the amount recognized or disclosed in the financial statements and another reasonably possible amount. Accounts receivable, recorded as $21,663 (2013 - $22,390) in these financial statements, are subject to measurement uncertainty. Accounts receivable excludes certain outstanding federal statute surcharges and provincial statute fine surcharges that are expected to be satisfied by means other than cash payment. The other means include participation in the fine option program or time served in a correctional institution at the option of the person owing the surcharge. Outstanding surcharges expected to be satisfied by other means of $1,123 (2013 - $792) are based on the actual percentage satisfied in this manner from April 1, 2013 to March 31, 2014 and have been deducted from total outstanding surcharges. Changes in the proportion of surcharges satisfied by other means may have a material effect on future operating results.

The allowance for doubtful accounts, recorded as $1,167 (2013 - $1,118) in these financial statements, is based on the actual percentage of surcharges written off from April 1, 2013 to March 31, 2014.

Financial benefits, recorded as a liability in the amount of $9,765 (2013 - $9,991), supplemental financial benefits, recorded as a liability in the amount of $7,814 (2013 restated - $8,159), and compensation claims, recorded as a liability in the amount of $9,961 (2013 restated - $9,673), in these financial statements, are subject to measurement uncertainty (Note 8).

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES (Cont'd)

(b) Basis of Financial Reporting (Cont'd)

Valuation of Financial Assets and Liabilities
Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of Cash and Cash Equivalents, Accounts Receivable, and Accounts Payable and Accrued Liabilities are estimated to approximate their carrying values because of the short-term nature of these instruments.

(c) Change in Accounting Policy
(in thousands)

Effective April 1, 2013, the Victims of Crime Fund changed its accounting policy to record a liability for compensation claims assumed from the former Crimes Compensation Board, which was dissolved in 1997, and supplemental financial benefits to provide a more appropriate presentation of events in the financial statements. This policy has been applied retroactively without restatement of operating results for 2012-13.

The opening balance of net assets as at April 1, 2012 has been adjusted to reflect this change in accounting policy. The impact is as follows:

Accounts Payable and Accrued Liabilities as at March 31, 2013	
As previously reported	$ 12,501
Add liability for compensation claims and supplemental financial benefits	17,832
Restated	30,333

Net Assets as at April 1, 2012	
As previously reported	$ 50,868
Deduct liability for compensation claims and supplemental financial benefits	(17,832)
Restated Net Assets at April 1, 2012	33,036
Net Operating Results	(175)
Restated Net Assets at March 31, 2013	$ 32,861

NOTE 3 CASH AND CASH EQUIVALENTS

(in thousands)

Cash and Cash Equivalents consists of deposits in the Consolidated Cash Investment Trust Fund (CCITF) of the Province of Alberta. The CCITF is managed by the Ministry of Treasury Board and Finance with the objective of providing competitive interest income to depositors while maintaining appropriate security and liquidity of depositors' capital. The portfolio is comprised of high-quality short-term and mid-term fixed-income securities with a maximum term-to-maturity of three years. As at March 31, 2014, securities held by CCITF have a time weighted return of 1.17% (2013 – 1.25%) per annum.

NOTE 4 ACCOUNTS RECEIVABLE

(in thousands)

Accounts receivable are unsecured and non-interest bearing.

	2014				2013
	Gross Amount	Fine Option and Time Served	Allowance for Doubtful Accounts	Net Realizable Value	Net Realizable Value
Government of Canada	$ 297	$ -	$ -	$ 297	$ 230
Surcharge					
Provincial	20,419	609	871	18,939	18,782
Federal	3,237	514	296	2,427	3,378
	$ 23,953	$ 1,123	$ 1,167	$ 21,663	$ 22,390

NOTE 5 TANGIBLE CAPITAL ASSETS

(in thousands)

	Computer Hardware and Software
Estimated Useful Life	5 years
Historical Cost	
Beginning of year	$ 729
Accumulated Amortization	
Beginning of year	712
Amortization expense	9
	721
Net Book Value at March 31, 2014	$ 8
Net Book Value at March 31, 2013	$ 17

NOTE 6 DEFERRED REVENUE

(in thousands)

	2014	2013
Unearned revenue		
Balance, beginning of year	$ 19	$ -
Received/receivable during year	70	30
Less amounts recognized as revenue	89	11
Balance, end of year	$ -	$ 19

NOTE 7 CONTRACTUAL OBLIGATIONS

(in thousands)

Contractual obligations are obligations of the fund to others that will become liabilities in the future when the terms of those contracts or agreements are met.

As at March 31, 2014, the fund has obligations under contracts and programs totalling $13,102 (2013 restated - $12,204).

Estimated payment requirements for each of the next three years are as follows:

Obligations Under Operating Leases, Contracts and Programs

	Total
2014-15	$ 8,063
2015-16	3,938
2016-17	1,101
	$ 13,102

NOTE 8 FINANCIAL BENEFITS

(in thousands)

As at March 31, 2014, there were one thousand five hundred and eleven (2013 – one thousand seven hundred and forty three) active applications for financial benefits with the Victims of Crime Financial Benefits Program.

As estimated liability of $9,765 (2013 - $9,991), subject to measurement uncertainty, was recorded based on historical decision patterns and average award values. Case progress at year end has been added as a factor in determining the liability estimate for the current year. Additional information may be required to determine eligibility and amount for individual cases under regulations of the *Victims of Crime Act*.

As at March 31, 2014, nineteen eligible recipients received a monthly payment of $1,000 (2013 - twenty eligible recipients) for supplemental benefits with the Victims of Crime Financial Benefits Program.

NOTE 8 FINANCIAL BENEFITS (Cont'd)

in thousands)

As estimated liability of $7,814 (2013 restated - $8,159), subject to measurement uncertainty, was recorded using a projection of monthly payments and statistical life expectancy figures. In addition, a present-value methodology has also been applied in determining this estimated liability. This methodology projects benefit cost streams into the future and discounts them to present-value using a discount rate which reflects the current return on assets used to fund the liability. The injuries of a recipient receiving a supplemental financial benefit must be reviewed every 12 months to determine whether the severity of injuries is still in accordance with regulations under the *Victims of Crime Act*.

As at March 31, 2014, thirty two eligible recipients received a monthly payment (2013 - thirty one) for compensation claims, assumed from the former Crimes Compensation Board, with the Victims of Crime Financial Benefits Program.

As estimated liability of $9,961 (2013 restated - $9,673), subject to measurement uncertainty, was recorded using a projection of monthly payments and statistical life expectancy figures. The same present-value methodology described above for supplemental benefits has been used to determine this estimated liability. The payments are subject to periodic review to confirm continued eligibility for entitlements and/or adjustment to the monthly amount.

NOTE 9 BENEFIT PLANS

(in thousands)

The fund participates in the multi-employer pension plans: Management Employees Pension Plan, Public Service Pension Plan and Supplementary Retirement Plan for Public Service Managers. The expense for these pension plans is equivalent to the annual contributions of $401 for the year ended March 31, 2014 (2013 - $348). The fund is not responsible for future funding of the plan deficit other than through contribution increases.

At December 31, 2013, the Management Employees Pension Plan reported a surplus of $50,457 (2012 – deficiency $303,423), the Public Service Pension Plan reported a deficiency of $1,254,678 (2012 – deficiency $1,645,141) and the Supplementary Retirement Plan for Public Service Managers reported a deficiency of $12,384 (2012 – deficiency $51,870).

The fund also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2014, the Bargaining Unit Plan reported an actuarial surplus of $75,200 (2013 – surplus $51,717) and the Management, Opted Out and Excluded Plan an actuarial surplus of $24,055 (2013 – surplus $18,327). The expense for these two plans is limited to the employer's annual contributions for the year.

NOTE 10 COMPARATIVE FIGURES

Certain 2013 figures have been reclassified to conform to the 2014 presentation.

NOTE 11 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved by the Senior Financial Officer and Deputy Minister.

VICTIMS OF CRIME FUND
SCHEDULE TO FINANCIAL STATEMENTS
EXPENSES – DIRECTLY INCURRED DETAILED BY OBJECT
Year ended March 31, 2014

Schedule 1

	2014		2013
	Budget	Actual	Actual
	(in thousands)		
Salaries, Wages and Employee Benefits	$ 3,332	$ 3,363	$ 3,224
Supplies and Services	1,326	841	1,140
Grants	25,075	25,836	29,594
Amortization of Tangible Capital Assets	9	9	8
Financial Transactions and Other	100	(235)	(146)
	$ 29,842	$ 29,814	$ 33,820

VICTIMS OF CRIME FUND **Schedule 2**
SCHEDULE TO FINANCIAL STATEMENTS
RELATED PARTY TRANSACTIONS
Year ended March 31, 2014
(in thousands)

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta's financial statements. Related parties also include key management personnel in the fund.

The fund and its employees paid or collected certain taxes and fees set by regulation for premiums, licences and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The fund had the following transactions with related parties recorded on the Statement of Operations and Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry		Other Entities	
	2014	2013	2014	2013
Expenses – Directly Incurred				
Service Alberta	$ -	$ -	$ 4	$ 4
Receivable from Alberta Government departments	$ -	$ 1,239	$ -	$ -
Payable to Alberta Government departments	$ -	$ -	$ 10	$ 276

The fund had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These amounts are not recorded in the financial statements but are disclosed in Schedule 3.

	Entities in the Ministry		Other Entities	
	2014	2013	2014	2013
Expenses – Indirectly Incurred				
Accommodation	$ -	$ -	$ 343	$ 332
Legal	4	17	-	-
	$ 4	$ 17	$ 343	$ 332

VICTIMS OF CRIME FUND
SCHEDULE TO FINANCIAL STATEMENTS
ALLOCATED COSTS
Year ended March 31, 2014
(in thousands)

Schedule 3

	2014				2013
		Expenses - Incurred by Others			
Program	Expenses [1]	Accommodation Costs[2]	Legal Services[3]	Total Expenses	Total Expenses
Financial Benefits	$ 14,193	$ 161	$ -	$ 14,354	$ 18,950
Victims Programs	14,617	177	-	14,794	14,074
Criminal Injuries Review Board	441	5	-	446	574
Administration	563	-	4	567	571
	$ 29,814	$ 343	$ 4	$ 30,161	$ 34,169

(1) Expenses – Directly Incurred as per Statement of Operations.

(2) Costs shown for Accommodation (includes grants in lieu of taxes) on Schedule 2, allocated by square meters or square meters and manpower.

(3) Costs shown for Legal Services on Schedule 2, allocated by estimated costs incurred by each program.

Other Financial Information

The following information is unaudited:

Statement of Compromises and Write-offs

Civil Law Legal Services Delivery

Fine Activity Information

Fine Collection Cost Estimates

STATEMENT OF COMPROMISES AND WRITE-OFFS
For the Year Ended March 31, 2014
(Unaudited)
(in thousands)

The following Statement of Compromises and Write-offs has been prepared pursuant to Section 23 of the *Financial Administration Act*. The statement includes all compromises and write-offs that the Ministry of Justice and Solicitor General made or approved during the fiscal year.

Compromises:		
Motor Vehicle Accident Recoveries	$	342
	$	342
Write-offs:		
Fines	$	5,089
Fines – Late Payment Penalty		2,251
Abandoned and Seized Vehicles		270
	$	7,610
Total Compromises and Write-offs	$	7,952

CIVIL LAW LEGAL SERVICES DELIVERY
Current and Prior Year Comparison
(Unaudited)

Staff Providing Services

Civil Law provides legal and related strategic services to all government ministries. Civil Law maintains a time keeping system to enable its lawyers, paralegals and articling students to record and report the hours of legal services provided in total to each ministry and their respective programs. In 2013-14, 268 lawyers, paralegals and articling students recorded in excess of 293,000 hours of provided legal services and in 2012-13, 276 (restated) such staff recorded more than 286,000 hours. The total hours of service to each Ministry is used as the basis to allocate legal services costs.

Cost of Legal Services

The costing methodology to estimate the costs for providing legal services for allocation to all client ministries includes the total cost of Civil Law less expenditures on contracted services and grants to third parties. A proportionate amount for support services provided by Finance and Planning, Human Resource Services, and Technology and Business Services Programs are included in the estimate. The estimate includes accommodation costs for office space in government owned or leased buildings as paid by and reported by the Ministry of Infrastructure and also includes all or part of salary and benefit costs for lawyers paid directly by client ministries. The estimated costs are allocated to each ministry based on the hours of service received. The Ministry of Justice and Solicitor General, as a service provider, sends the legal services cost information to each ministry for disclosure in the Related Party Transactions Schedule and the Allocated Costs Schedule to the Financial Statements of each ministry's annual report.

Current and Prior Year Comparison

The table below summarizes the estimated cost of allocated legal services, the number of hours allocated, the average hourly cost and the client satisfaction rate.

Cost Estimates	2013-14	2012-13
Total Civil Law Costs	$ 47,246,245	$ 45,169,222
Deduct Contract Services, Grants, and Amortization	1,575,788	1,574,597
	$ 45,670,457	$ 43,594,625
Add: Support Services	1,355,038	1,372,756
Accommodation	1,675,185	1,626,493
Client Cost for Lawyers	2,099,960	2,307,556
Total Legal Services Costs for Allocation	$ 50,800,640	$ 48,901,430
Number of Hours of Service Provided	293,231	286,885
Average Hourly Cost	$ 173.24	$ 170.46

FINE ACTIVITY INFORMATION
(Unaudited)

Federal and Provincial Statute Offences and Municipal Bylaw Offences

A management information report summarizes fine activity by the recipients entitled to the fine or penalty revenue. The municipalities receive specific provincial statute offence fines and all municipal bylaw fines for offences occurring within municipal boundaries. The majority of municipal fine activity occurs in cities, towns, counties and municipal districts. The Alberta government receives fine revenue for provincial statute offences occurring on primary highways and other specific provincial statute offences. The Alberta government receives any late payment penalties on overdue fines and some fines under the *Criminal Code of Canada* and retains 16 2/3 per cent of *Traffic Safety Act* fines. The Victims of Crime Fund receives a 15 per cent surcharge on all provincial statute fines and a surcharge on selected federal statute offences. These surcharge revenues are used to fund victims programs in Alberta. The federal government receives fine revenue for federal statute offences and selected fines under the *Criminal Code*.

The tables below summarize fines payments for the twelve months from April 2013 to March 2014 and for the twelve months from April 2012 to March 2013 by the recipient level of government.

Fine Payments – April 2013 to March 2014

Recipient	Number of Fine Payments		Dollar Value of Fine Payments	Percent of Total Dollar Value
Municipalities	1,825,886	$	167,528,257	56.2%
Alberta Government	232,795		39,707,886	13.3%
Victims of Crime Fund	Note		32,320,203	10.9%
Federal Government	1,832		1,133,712	0.4%
Late Payment Penalty	891,052		22,980,608	7.7%
Fine Retention	Note		34,331,417	11.5%
Total	2,951,565	$	298,002,083	100.0%

Fine Payments – April 2012 to March 2013

Recipient	Number of Fine Payments		Dollar Value of Fine Payments	Percent of Total Dollar Value
Municipalities	1,690,997	$	154,339,829	53.3%
Alberta Government	244,529		42,125,836	14.6%
Victims of Crime Fund	Note		30,263,249	10.5%
Federal Government	2,264		9,461,486	3.3%
Late Payment Penalty	811,255		20,989,229	7.2%
Fine Retention	Note		32,188,453	11.1%
Total	2,749,045	$	289,368,082	100.0%

Note: The Number of Fine Payments for Victims of Crime Fund and Fine Retention have been accounted for in the other recipient categories.

FINE COLLECTION COST ESTIMATES
(Unaudited)
Overview

Costing methodologies have been developed to estimate the cost of collecting a provincial statute fine and the cost of collecting a federal statute (*Criminal Code* and other) fine. The estimated cost of collecting a provincial statute fine is related to the number of violation tickets received by all Provincial Court offices in Alberta. The estimated cost of collecting a federal statute fine is related to the approximate number of Fine Orders in all Provincial Court offices. The estimated costs are those incurred by Alberta Justice and Solicitor General in Court Services, Criminal Justice, Justice Services, Finance and Planning, and Technology and Business Services Programs.

Estimated Cost of Collecting a Provincial Statute Fine – 2013-14 and 2012-13

There were 2.160 million violation tickets received by all Provincial Court offices in 2013-14 and 2.050 million in 2012-13. The major cost components for Court Services are the Calgary and Edmonton Provincial Traffic Courts, ticket processing costs in the Regional Provincial Courts and the cost of violation ticket printing and direct general and regional overhead expenditures. Criminal Justice costs include paralegal prosecutors and support staff and first appearance centres in Calgary and Edmonton. Finance and Planning and Technology and Business Services costs are for the operation and maintenance of the Justice Online Information Network (JOIN) system applicable to violation tickets and for postage and handling of the Notice of Conviction mail-outs.

The table below summarizes the provincial statute and municipal bylaw fine payments received and the cost for violation tickets received by all provincial courts.

		2013-14	2012-13
Total Provincial Statute and Municipal Bylaw Payments Received			
Provincial Acts - Fine and Surcharge		$ 240,373,961	$ 225,202,798
Municipal Bylaw		19,246,562	18,071,407
Late Payment Penalty		22,980,608	20,989,229
Total Violation Ticket Payments	A	$ 282,601,131	$ 264,263,434
Cost for Violation Tickets Received by All Courts			
Total Estimated Cost	B	$ 33,050,094	$ 32,942,444
Cost per Dollar Collected	(B/A)	$ 0.12	$ 0.12

Estimated Cost of Collecting a Federal Statute Fine – 2013-14 and 2012-13

There were 33,800 Fine Orders in all Provincial Court offices in 2013-14 and 28,563 in 2012-13. The major cost components for Court Services are the salary and benefit costs of court staff and Provincial Court Judges with associated supplies and services costs. Criminal Justice costs are primarily the salary and benefit costs of the Crown Prosecutors and for the operation and maintenance of the JOIN system applicable to criminal case tracking. Justice Services pays for the salary and other operating costs for the Fines Enforcement Unit who collects *Criminal Code* fines on behalf of all courts in the province.

The table below summarizes the federal statute fine payments received and the cost for all Fine Orders prepared by all Provincial Court offices.

		2013-14	2012-13
Total Federal Statute Payments Received			
Federal Acts - Fine and Surcharge	A	$ 15,401,359	$ 25,104,648
Cost for Fine Orders by All Courts			
Court Services and Criminal Justice		$ 20,312,754	$ 19,299,421
Justice Services and Technology and Business Services		1,111,297	1,019,437
Total Estimated Cost	B	$ 21,424,051	$ 20,318,858
Cost per Dollar Collected	(B/A)	$ 1.39	$ 0.81

Note: The decrease in Federal Acts – Fine and Surcharge and corresponding increase in the Cost per Dollar Collected in 2013-14 is primarily attributable to a fine collected in 2012-13 under the *Corruption of Foreign Public Officials Act* in the amount of $9 million.

Annual Report Extracts and Other Statutory Reports

The *Criminal Code of Canada* requires the Minister of Justice and Solicitor General to report annually on the following parts of the *Act*.

Criminal Code s.83.31 – Anti-Terrorism Act

Section 83.31 of the *Criminal Code of Canada* requires the Attorney General of Alberta to publish an annual report on the operation of those parts of the *Act* dealing with investigative hearings and recognizance with conditions.

This constitutes the annual report of the Attorney General of Alberta covering the period from December 24, 2012 to December 24, 2013.

I. Report on the Operation of Section 83.28 and 83.29

(Investigative Hearing)

The Attorney General of Alberta reports that there were no applications initiated under these sections of the *Criminal Code of Canada*. As such, there is no data to report in relation to the reporting requirements under paragraphs 83.31(1)(a) to (c) of the *Criminal Code of Canada*.

II. Report on the Operation of Section 83.3

(Recognizance with Conditions)

The Attorney General of Alberta reports that there were no cases initiated under this section of the *Criminal Code of Canada*. As such, there is no data to report in relation to the reporting requirements in paragraphs 83.31(2)(a) to (f) of the *Criminal Code of Canada*.

Criminal Code s.83.3 (3) – Anti-Terrorism Act

In accordance with subsection 83.3(4) of the *Criminal Code*, a peace officer who suspects, on reasonable grounds, that the detention of a person is necessary to prevent a terrorist activity, may arrest the person without a warrant.

Pursuant to subsection 83.31(3) of *the Criminal Code*, the minister responsible for policing in every province shall publish or otherwise make available to the public an annual report for the previous year on the operation of subsection 83.3 of the *Criminal Code* that includes:

- The number of arrests without warrant that were made under subsection 83.3(4) and the period of the arrested person's detention in custody in each case; and
- The number of cases in which a person was arrested without warrant under subsection 83.3(4) and was released.

Information has been received from all police services in Alberta indicating that no arrests were made under this subsection in the previous year; therefore, the report for 2013 is nil.

Criminal Code s.25.3 – Organized Crime and Law Enforcement – Designations

Section 25.3 of the *Criminal Code* provides a limited justification for otherwise illegal acts and omissions by law enforcement officers, and others acting at their discretion. An essential condition is that it can apply only to officers designated by a competent authority. In the case of municipal police services, the Minister of Justice and Solicitor General is the competent authority.

The competent authority is responsible for publishing an annual report on the designations and authorizations provided under subsections 24.1 to 25.4 of the *Criminal Code*. This report shall include information on the amount and nature of the acts or omissions committed by those officers designated under this legislation.

Alberta began designating officers under this legislation in March 2003. The designations in January 1 to December 31, 2013 include:

- Number of times that acts and omissions were committed: three;
- Nature of conduct being investigated: Homicide and Missing Persons; and
- Nature of act or omission: Cause minor damage to a vehicle.